

ORDINANCE #65748
Board Bill No. 335

AN ORDINANCE AFFIRMING APPROVAL OF A REDEVELOPMENT PLAN, REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREA 1; APPROVING THE RPA1 PROJECT WITH RESPECT THERETO; ADOPTING TAX INCREMENT FINANCING WITHIN REDEVELOPMENT PROJECT AREA 1; ESTABLISHING THE 920 OLIVE/1000 LOCUST SPECIAL ALLOCATION FUND; AUTHORIZING THE CITY OF ST. LOUIS TO ENTER INTO A REDEVELOPMENT AGREEMENT WITH 920/1000, LLC AS DEVELOPER OF THE RPA1 PROJECT; PRESCRIBING THE FORM AND DETAILS OF SAID AGREEMENT; MAKING CERTAIN FINDINGS WITH RESPECT THERETO; AUTHORIZING OTHER RELATED ACTIONS IN CONNECTION WITH THE REDEVELOPMENT OF CERTAIN PROPERTY WITHIN THE REDEVELOPMENT AREA; AND AUTHORIZING THE CITY COMPTROLLER TO ENTER INTO CONTRACTS TO FACILITATE REVENUE ALLOCATION AND COLLECTION.

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 any 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 (2000) (the "TIF Act" or "Act"), authorizes the City to undertake redevelopment projects within designated areas of the City; and

WHEREAS, pursuant to the TIF Act, the Board of Aldermen of the City adopted Ordinance No. _____ [Board Bill No. 334] on _____, 2002, which Ordinance (i) designated the 920 Olive/1000 Locust TIF Redevelopment Area (as further described in the Redevelopment Plan) as a "redevelopment area" as that term is defined in the TIF Act (the "Redevelopment Area"), (ii) approved a redevelopment plan entitled "920 Olive/1000 Locust Amended TIF Redevelopment Plan" (the "Redevelopment Plan"), (iii) approved the Redevelopment Project Area 1; (iv) approved the RPA1 Project; (v) and made certain findings with respect thereto, all as set forth in such Ordinance and in accordance with the requirements of the Act; and

WHEREAS, the Redevelopment Plan envisions the completion of the RPA1 Project which includes the complete renovation and rehabilitation of the two buildings listed on the National Register of Historic Places and located at 920 Olive and 1000 Locust, respectively, into approximately 17,200 rentable square feet of commercial, retail, and office space and approximately 48,000 rentable square feet of residential space (the "RPA1 Project" as further described in the Redevelopment Plan); and

WHEREAS, on October 16, 2002, after all proper notice was given, the TIF Commission held a public hearing in conformance with the TIF Act and received comments from all interested persons and taxing districts relative to the Redevelopment Area, the Redevelopment Plan, and the RPA1 Project; and

WHEREAS, the TIF Commission recommended that the Board of Aldermen adopt the Redevelopment Plan, designate the Redevelopment Area as a "redevelopment area" within the meaning of the TIF Act, approve the RPA1 Project, and designate 920/1000, LLC as "Developer" of the RPA1 Project; and

WHEREAS, the buildings located at 920 Olive Street and 1000 Locust Street, respectively, are listed on the National Register of Historic Places and are of historical significance to the City, and to downtown St. Louis in particular; and

WHEREAS, the Developer has demonstrated that the Redevelopment Project would not reasonably be anticipated to be developed without the adoption of tax increment financing and, therefore, redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan is not feasible and would not otherwise be completed; and

WHEREAS, the Board of Aldermen has received the recommendations of the TIF Commission regarding the Redevelopment Area, the Redevelopment Plan and the RPA1 Project and finds that it is desirable and in the best interests of the City to designate 920/1000, LLC as Developer of the RPA1 Project in accordance with the Redevelopment Plan and TIF Act in order to encourage and facilitate the redevelopment of the Redevelopment Area; and

WHEREAS, the Redevelopment Area, in general, and more specifically, the RPA1 Project Area qualifies for the use of tax increment allocation financing to alleviate the conditions that qualify it as a "blighted area" as provided in the TIF Act and as set forth herein; and

WHEREAS, the City, by Ordinance Nos. 64887 and 65534 has previously determined that (i) by reason of predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, there exist conditions within the Redevelopment Area which endanger life or property by fire or other causes and constitute an economic or social liability or a menace to the public health, safety, morals or welfare in the present condition and use of the Redevelopment Area, and (ii) such conditions are beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by ordinary private enterprise; and

WHEREAS, it is necessary and desirable and in the best interest of the City to adopt tax increment financing within the RPA1 Project Area in order to provide for the promotion of the general welfare through redevelopment of the RPA1 Project Area in accordance with the Redevelopment Plan which redevelopment includes, but is not limited to, assistance in the physical, economic, and social development of the City of St. Louis, providing for a stabilized population and plan for the optimal growth of the City of St. Louis, and in particular, downtown St. Louis, encouragement of a sense of community identity, safety and civic pride, preservation and restoration of properties of historical and architectural value and significance, elimination of physical and environmental blight, and the elimination of impediments to land disposition and development in the City of St. Louis; and

WHEREAS, pursuant to Ordinance No. ____ [Board Bill No. 334], the Board of Aldermen has determined that the Redevelopment Area as a whole is of historical significance to the City, and qualifies for the use of tax increment financing to alleviate the conditions that qualify it as a “blighted” as provided in the TIF Act, and further, that redevelopment of the RPA1 Project Area in accordance with the Redevelopment Plan would not reasonably be anticipated to be developed without the adoption of tax increment allocation financing and would otherwise not be completed; and

WHEREAS, pursuant to the provisions of the TIF Act, the City is authorized to enter into a redevelopment agreement with 920/1000, LLC, a Missouri limited liability company, as Developer for completion of the RPA1 Project (the “Redevelopment Agreement”), and in accordance with the Redevelopment Plan and the TIF Act, the Board of Aldermen hereby determines that tax increment financing is necessary for redevelopment of the RPA1 Project Area and completion of the RPA1 Project in accordance with the Redevelopment Plan, and therefore, it is advisable and in the best interest of the City and of its inhabitants to authorize and approve the Redevelopment Agreement and the transactions contemplated thereby; and

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

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

Section One. The Board of Aldermen hereby adopts the foregoing recitals as findings.

Section Two. The Board of Aldermen hereby ratifies and confirms its approval of the Redevelopment Area and the Redevelopment Plan.

Section Three. The Board of Aldermen finds and determines that the assistance of tax increment financing in accordance with the Act and as set forth in the Redevelopment Agreement is necessary and desirable in order to implement the RPA1 Project and to enable the Developer to carry out its proposal for development of the RPA1 Project.

Section Four. The Board of Aldermen finds and determines that it is necessary and desirable to enter into a Redevelopment Agreement for completion of the RPA1 Project within the RPA1 Project Area in accordance with the Redevelopment Plan.

Section Five. The Board of Aldermen hereby approves, and the Mayor and Comptroller are hereby authorized and directed to execute, on behalf of the City, the Redevelopment Agreement between the City and the Developer, and the City Register is hereby authorized and directed to attest to the Redevelopment Agreement and to affix the seal of the City thereto. The Redevelopment Agreement shall be in substantially the form attached hereto as **Exhibit A**, with such changes therein as shall be approved by the officers of the City executing the same and as may be consistent with the intent of this Ordinance and necessary, desirable, convenient or proper in order to carry out the matters herein authorized.

Section Six. Tax increment allocation financing is hereby adopted within the RPA1 Project Area. After the total equalized

assessed valuation of the taxable real property in the RPA1 Project Area exceeds the certified total initial equalized assessed valuation of the taxable real property in the RPA1 Project Area, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in the RPA1 Project Area by taxing districts and tax rates determined in the manner provided in Section 99.855.2 of the TIF Act each year after the effective date of this Ordinance until the redevelopment project costs associated with the RPA1 Project have been paid, shall be divided as follows:

A. That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract or parcel of real property in the area selected for the RPA1 Project shall be allocated to and, when collected, shall be paid by the City Collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing; and

B. 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 in the area selected for the RPA1 Project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the RPA1 Project shall be allocated to and, when collected, shall be paid to the City's Treasurer, who shall deposit such payments in lieu of taxes into a special fund called the "920 Olive/1000 Locust Special Allocation Fund" for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the RPA1 Project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable.

Section Seven. In addition to the payments in lieu of taxes described in Section Six of this Ordinance, fifty percent of the total additional revenue from taxes, penalties and interest which area imposed by the City or other taxing districts and which are generated by economic activities within the area of the RPA1 Project over the amount of such taxes generated by economic activities within the area of the RPA1 Project in the calendar year prior to the adoption of the RPA1 Project by separate ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri (2000), or taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri (2000), licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, in accordance with Section 99.845.3 of the TIF Act, as may be amended from time to time, shall be allocated to, and paid by the City Collector to the City Treasurer or other designated financial officer of the City, who shall deposit such funds in a separate segregated account within the 920 Olive/1000 Locust Special Allocation Fund.

Section Eight. There is hereby created and ordered to be established within the treasury of the City a separate fund to be known as the "920 Olive/1000 Locust Special Allocation Fund." To the extent permitted by law, the City hereby pledges funds in the 920 Olive/1000 Locust Special Allocation Fund for the payment of redevelopment project costs associated with the RPA1 Project and obligations incurred in the payment thereof.

Section Nine. The City Register is hereby directed to submit a certified copy of this Ordinance to the City Assessor, who is directed to determine the total equalized assessed value of all taxable real property within the RPA1 Project Area as of the date of this Ordinance, by adding together the most recently ascertained equalized assessed value of each taxable lot, block, tract or parcel of real property within the RPA1 Project Area, and shall certify such amount as the total initial equalized assessed value of the taxable real property within RPA1 Project Area.

Section Ten. The Comptroller of the City is hereby authorized to enter into agreements or contracts with other taxing districts as is necessary to ensure the allocation and collection of the taxes and payments in lieu of taxes described in Sections Six and Seven of this Ordinance and the deposit of the said taxes or payments in lieu of taxes into the Special Allocation Fund for the payment of RPA1 Project costs and obligations incurred in the payment thereof, all in accordance with the TIF Act.

Section Eleven. The Mayor and Comptroller of the City and all other officers, agents, representatives and employees of the City are hereby authorized to take any and all actions as may be deemed necessary, desirable, convenient or proper to carry out and comply with the intent of this Ordinance with regard to the implementation of the Redevelopment Plan with respect to the RPA1 Project Area and to execute and deliver for and on behalf of the City all certificates, instruments or other documents as may be necessary, desirable, convenient or proper to carry out the matters herein authorized.

Section Twelve. The Mayor or his designated representatives are hereby further authorized and directed to make any changes to the documents and instruments approved and authorized by this Ordinance as may be consistent with the intent of this

Ordinance and necessary, desirable, convenient or proper in order to carry out the matters herein authorized.

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

EXHIBIT A

Redevelopment Agreement Between the City of St. Louis and 920/1000, LLC

(Attached hereto.)

REDEVELOPMENT AGREEMENT

**Between the
CITY OF ST. LOUIS, MISSOURI**

**And
920/1000, LLC**

**Dated as of
The ____ day of _____, 200__**

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REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (the “Agreement”) is made and entered into as of the ____ day of _____, 2003, by and between the **City of St. Louis, Missouri**, a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri, and **920/1000, LLC**, a Missouri limited liability company. (All capitalized terms used herein, other than proper nouns, shall have the meanings ascribed to them in Article 1 of this Agreement, except as they may be defined elsewhere in this Agreement.)

RECITALS

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

B. The City published a notice on September 25, 2002 and October 7, 2002, in the St. Louis Post-Dispatch, a newspaper of general circulation within the City, soliciting proposals for the redevelopment of the Redevelopment Area, and made such requests for proposals available at for potential developers of the Redevelopment Area.

C. In response to the City’s solicitation of proposals, 920/1000, LLC, responded with a proposal entitled “920 Olive/1000 Locust TIF Application” (the “Proposal”), for the redevelopment of the Redevelopment Area.

D. On October 16, 2002, following a public hearing held on October 16, 2002, in accordance with the TIF Act, the TIF Commission adopted a resolution approving the redevelopment plan known as the “920 Olive/1000 Locust Amended TIF Redevelopment Plan” (the “Redevelopment Plan”) and recommending that the Board of Aldermen: (1) approve the Redevelopment Plan; and (2) approve and designate the Redevelopment Area as a “redevelopment area” as provided in the TIF Act.

E. 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 Ordinance No. _____ [Board Bill No. ____], designating the Redevelopment Area, approving the Redevelopment Plan, approving Redevelopment Project Area 1 and the projects therein, making certain finding with respect thereto, and authorizing certain actions by City officials.

F. On _____, 2002 after due consideration of the TIF Commission’s recommendations, the Board of Aldermen adopted Ordinance No. ____ [Board Bill No. ____], affirming adoption of the Redevelopment Plan, Redevelopment Area, Redevelopment Project Area 1 and the projects therein, authorizing execution of a Redevelopment Agreement for the completion of the RPA1 Project within the Redevelopment Area, designating 920/1000, LLC as Developer of the RPA1 Project, adopting tax increment financing for the RPA1 Project Area, making certain findings related thereto, establishing the Special Allocation Fund, and authorizing other related actions in connection with the redevelopment of the RPA1 Project Area.

G. On _____, 2002, the Board of Aldermen adopted Ordinance No. _____[Board Bill No. ____], authorizing the issuance of TIF Notes as evidence of the City’s obligation to pay certain RPA1 Project Costs incurred in furtherance of the Redevelopment Plan and the RPA1 Project and pledging TIF Revenues to the payment of TIF Notes.

H. The Board of Aldermen hereby determines that the acceptance of the Proposal and the fulfillment generally of this Agreement are in the best interests of the City, and the health, safety and welfare of its residents, and in accord with the public purposes specified in the Redevelopment Plan.

I. Pursuant to provisions of the TIF Act and Ordinance Nos. _____ and _____ [Board Bill Nos. ____, ____ and ____], the City is authorized to enter into this Agreement, to issue, or cause to be issued, TIF Notes, TIF Bonds or TIF Obligations as evidence of the City's obligation to pay certain RPA1 Project Costs incurred in furtherance of the Redevelopment Plan and the RPA1 Project, and to pledge TIF Revenues to the payment of such TIF Notes, TIF Bonds or other TIF Obligations.

AGREEMENT

NOW, THEREFORE, the City and Developer, in consideration of the premises and the mutual agreements herein contained and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, subject to the conditions herein set forth, do agree as follows:

ARTICLE I Definitions

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

"Acquisition Costs" means all costs of acquiring the Redevelopment Area, including, but not limited to: cost of land and improvements; brokerage commissions; costs of title commitments, reports or policies; surveys; engineering fees, environmental remediation, soil and hazardous waste and other site and property-related reports; appraisals; professional fees of any kind or nature, including attorneys' fees, filing fees, recording fees, experts' fees; and all litigation costs, including commissioners' awards, judgments, and all associated court costs, fees and expenses.

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

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

"Agreement Approving Ordinance" means Ordinance No. ____, adopted on ____, affirming adoption of the Redevelopment Plan, Redevelopment Area, and RPA1 Project, authorizing execution of a Redevelopment Agreement for the construction of the RPA1 Project within the Redevelopment Area, making certain findings related thereto, designating 920/1000, LLC as Developer of the RPA1 Project, adopting tax increment financing within the RPA1 Project Area, establishing the Special Allocation Fund, and authorizing other related actions in connection with the redevelopment of the Redevelopment Area.

"Area Approving Ordinance" means Ordinance No. _____ adopted on _____, designating the Redevelopment Area, approving the Redevelopment Plan, approving Redevelopment Project Area 1 and projects therein, making certain finding with respect thereto, and authorizing certain actions by City officials.

"Available Revenues" means all TIF Revenues on deposit from time to time in the Special Allocation Fund excluding: (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

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

"Certificate of Commencement of Construction" means a document substantially in the form of Exhibit B, attached hereto and incorporated by reference herein, delivered by Developer to the City in accordance with this Agreement and evidencing commencement of construction of the RPA1 Project.

"Certificate of Reimbursable RPA1 Project Costs" means a document, substantially in the form of Exhibit A, attached hereto and incorporated herein by reference, provided by Developer to the City in accordance with this Agreement and evidencing

Reimbursable RPA1 Project Costs incurred by Developer.

“*Certificate of Substantial Completion*” means a document substantially in the form of Exhibit C, attached hereto and incorporated by reference herein, delivered by Developer to the City in accordance with this Agreement and evidencing completion of the Work.

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

“*Contract Date*” shall be the later of (i) the date first set forth above, or (ii) the date on which the last party executes this Agreement or initials an agreed to change.

“*Design Plans*” means the floor plans, elevations, drawings, specifications and related documents to be used in the RPA1 Project for the construction of the Work, together with all supplements, amendments or corrections, submitted by Developer and approved by the City in accordance with and as required by the Redevelopment Proposal, Redevelopment Plan and this Agreement.

“*Developer*” means and 920/1000, LLC, a Missouri limited liability company, and its permitted successors or assigns in interest.

“*EATs Account*” means “ means the Economic Activity Taxes Account within the Revenue Fund of the Special Allocation Fund.

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

“*Excusable Delay*” means acts of God, fire or other casualty, strike, lockout or other labor dispute, weather conditions, shortages or unavailability of material, labor or utilities, failure or delay in financing, vandalism, laws, orders or regulations of any court, governmental, civilian or military authority, acts of war or acts of terrorism or other like causes beyond the control of Developer.

“*Governmental Approvals*” means all plat approvals, re-zonings, text amendments or other zoning changes, site or development plan approvals, conditional use permits, resubdivisions or other subdivision approvals, variances, sign approvals, building permits, grading permits, occupancy permits or similar approvals, from the City, the State of Missouri, the Metropolitan St. Louis Sewer District, the U.S. Army Corps of Engineers, the Missouri Department of Natural Resources, the U.S. Department of Interior and other or similar approvals required for the implementation of the RPA1 Project.

“*Issuance Costs*” means all costs reasonably incurred by the City in furtherance of the issuance of TIF Notes, including without limitation the fees and expenses of financial advisors and consultants, attorneys (including issuer’s counsel and Bond Counsel), SLDC’s administrative fees and expenses (including fees and costs of planning consultants), underwriters’ discounts and fees, the costs of printing any TIF Notes and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating agency rating any TIF Notes.

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

“*Note Ordinance*” means Ordinance No. _____ [Board Bill_____] adopted on _____ and any subsequent ordinance or ordinances by the City authorizing the issuance of the TIF Obligations, any trust indenture relating thereto, and all related ordinances, resolutions and proceedings.

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

“*PILOTs Account*” means the Payments in Lieu of Taxes Account within the Revenue Fund of the Special Allocation Fund.

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

“*Redevelopment Area*” shall have the meaning as set forth in the Redevelopment Plan.

“*Redevelopment Plan*” means the redevelopment plan titled the “920 Olive/1000 Locust Amended TIF Redevelopment

Plan” dated September 27, 2002, adopted by the City pursuant to the Area Approving Ordinance and the Agreement Approving Ordinance, as such plan may be amended from time to time in accordance with the TIF Act.

“*Redevelopment Proposal*” means the 920 Olive/1000 Locust TIF Application.

“*Reimbursable RPA1 Project Costs*” means those RPA1 Project Costs as described in Exhibit E attached hereto which are eligible for reimbursement to Developer in accordance with the TIF Act and this Agreement.

“*Related Entity*” means any entity related to Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended, or any entity in which Developer owns, in the aggregate, at least fifty percent (50%).

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

“*RPA1 EATs Sub-Account*” means the Economic Activity Tax sub-Account of the EATs Account of the Revenue Fund of the Special Allocation Fund, as set forth in the Note Ordinance.

“*RPA1 PILOTs Sub-Account*” means the Payment in Lieu of Taxes sub-Account of the PILOTs Account of the Revenue Fund of the Special Allocation Fund, as set forth in the Note Ordinance.

“*RPA1 Project*” means the redevelopment project for the RPA1 Project Area described in the Redevelopment Plan, the Redevelopment Proposal and this Agreement including without limitation: (a) property acquisition; (b) site preparation and improvements, including without limitation, demolition, landscaping, roads, sidewalks, parking, and utility improvements; (c) environmental remediation; (d) construction of approximately 17,200 square feet of commercial office and retail space; (e) construction of approximately 48,000 square feet of residential space; and (f) professional fees, including without limitation, architecture, engineering, surveying, legal and planning and consultant costs.

“*RPA1 Project Area*” means that portion of the Redevelopment Area which is required for completion of the RPA1 Project, and which is legally described and set forth on Exhibit D, attached hereto and incorporated herein by reference.

“*RPA1 Project Costs*” shall have the meaning ascribed to the term “redevelopment project costs” in Section 99.805(14) of the TIF Act, and may include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to the Redevelopment Plan or RPA1 Project, as applicable. Such costs include, but are not limited to, the following: (a) costs of studies, surveys, plans, and specifications; (b) professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services; (c) property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land; (d) costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures; (e) initial costs for an economic development area; (f) costs of construction of public works or improvements; (g) financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued pursuant to the TIF Act accruing during the estimated period of construction of the RPA1 Project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto; (h) all or a portion of a taxing district's capital costs resulting from the RPA1 Project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and the RPA1 Project, to the extent the City by written agreement accepts and approves such costs; (i) relocation costs to the extent that the City determines that relocation costs shall be paid or are required to be paid by federal or state law; and (j) payments in lieu of taxes.

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

“*Special Allocation Fund*” means the 920 Olive/1000 Locust TIF Redevelopment Area Special Allocation Fund created by Ordinance No. _____ [Board Bill No. ____] adopted on _____, 2002.

“*TIF Bonds*” means any tax increment revenue bonds authorized and issued or caused to be issued, by the City in accordance with the TIF Act and this Agreement.

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

“*TIF Notes*” means the tax increment revenue notes issued by the City pursuant to the Note Ordinance.

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

“*TIF Revenues*” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the RPA1 Project Area 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 RPA1 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 the RPA1 Project Area over the amount of such taxes generated by economic activities within the RPA1 Project 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.

“*Work*” means all work necessary to prepare the RPA1 Project Area and to construct or cause the construction of the RPA1 Project as specifically described in the Redevelopment Proposal, the Redevelopment Plan, and this Agreement as approved or amended by the Design Plans, including without limitation: (1) property acquisition; (2) professional fees, including architecture, engineering, surveying, legal and planning and consulting; (3) demolition; (4) construction, reconstruction or rehabilitation of the building interior, the shell, the façade and the structural elements of the buildings located at 920 Olive and 1000 Locust to provide approximately 48,000 square feet of residential space and approximately 17,200 square feet of commercial office and retail space; (5) construction, reconstruction or rehabilitation of related infrastructure or improvements, including without limitation surrounding landscaping, sidewalks, and utility improvements; (6) environmental remediation; and (7) all other work described in the Redevelopment Proposal, the Redevelopment Plan or this Agreement, as modified by the Design Plans, or reasonably necessary to effectuate the intent of this Agreement.

ARTICLE II Redevelopment Project

SECTION 2.01 RPA1 Project. The City and Developer severally agree to carry out the RPA1 Project in accordance with the Area Approving Ordinance, the Agreement Approving Ordinance, the Redevelopment Plan and this Agreement. The terms and provisions of the Area Approving Ordinance, the Agreement Approving Ordinance and Redevelopment Plan, as may be amended from time to time, are fully incorporated herein by reference. Developer agrees to advance all RPA1 Project Costs as necessary to acquire the RPA1 Project Area and to complete the Work, all subject to Developer’s rights as set forth in Article II hereof.

SECTION 2.02 Developer. Developer hereby agrees, subject to the terms and conditions hereof:

2.02.01 To construct the RPA1 Project in substantial conformity with the Design Plans with respect to the RPA1 Project, which Design Plans shall be submitted by Developer for approval by the City and SLDC as required by applicable law or ordinance and which shall be consistent with the Redevelopment Proposal and Redevelopment Plan.

2.02.02 To submit a Certificate of Commencement of Construction no later than May 1, 2003, subject to any extension granted pursuant to Section 2.03.02 provided, however, that the date for submission of the Certificate of Commencement of Construction shall not be extended beyond July 31, 2003.

2.02.03 To submit a Certificate of Substantial Completion within twenty-four (24) months after the Contract Date, absent any Excusable Delay, as defined herein, or any extension granted pursuant to Section 2.03.02 provided, however, that the date for submission of the Certificate of Substantial Completion shall not be extended beyond December 31, 2005.

2.02.04 To obtain any and all permits and licenses reasonably required by the City necessary to perform under this Agreement and to conform to all rules, regulations, codes and ordinances of the City applicable to performance by Developer under this Agreement.

2.02.05 To be the sole owner of the RPA1 Project and not convey any ownership interest therein to any other person or entity prior to completion of construction of the RPA1 Project; provided, however that Developer may at any time convey the RPA1 Project to any Related Entity upon fifteen (15) days prior written notice to the City and SLDC, respectively.

2.02.06 Prior to acceptance of a Certificate of Substantial Completion pursuant to Section 2.05.03 to permit access to the RPA1 Project Area and to all records or files pertaining to the RPA1 Project by the representatives of the City and its designees at all reasonable times for any purpose related to this Agreement, which the City deems necessary, including, but not limited to, inspection of all Work or verification of compliance with this Agreement or applicable law.

SECTION 2.03 Conditions to Construction. Notwithstanding anything contained herein to the contrary, the obligation of Developer to construct the RPA1 Project is subject to the timely satisfaction or waiver by Developer no later than December 31, 2003, of each of the following conditions as determined in the sole and absolute discretion of Developer:

2.03.01 The adoption of a Note Ordinance by the City authorizing the issuance of TIF Notes in an aggregate principal amount not to exceed \$2,667,732 payable from Available Revenues, which Note Ordinance shall be in a form, amount and substance which is satisfactory to Developer;

2.03.02 Developer shall be satisfied, in its sole and absolute discretion, with: (1) the overall feasibility, economic or otherwise, of the RPA1 Project, and (2) the suitability of the RPA1 Project Area, including without limitation, the following: (A) all surveys, soil borings, environmental and other physical investigations, inspections, tests or reports with respect to the RPA1 Project Area, (B) the status of title to the RPA1 Project Area, including without limitation the zoning thereof and the availability of access thereto, (C) the availability of utilities to the RPA1 Project Area, (D) the availability of all permits and approvals necessary for the acquisition, development and operation of the RPA1 Project Area, and (E) any other investigations, inspections, tests or reports with respect to the RPA1 Project Area.

If, prior to December 31, 2003, Developer determines that any one or more of the above listed conditions cannot be satisfied in the sole and absolute discretion of Developer, Developer shall provide written notice to the City. Such notice shall constitute evidence of the termination of all rights and obligations of Developer under this Agreement unless waived in writing by Developer. The performance dates set forth in Sections 2.02.02 and 2.02.03 above may be extended for one additional three month period on approval by the City Board of Estimate and Apportionment of a request for such extension by Developer.

SECTION 2.04 Excusable Delay. Developer shall give the City written notice of Excusable Delay; provided, however, that all duties and obligations of the City hereunder and under the Ordinances and the Redevelopment Plan, shall cease and terminate on December 31, 2005, unless Developer has, on or before such date, submitted a Certificate of Substantial Completion.

SECTION 2.05 Certificate of Substantial Completion.

2.05.01 Developer shall furnish to the City and SLDC a Certificate of Substantial Completion upon substantial completion of the RPA1 Project.

2.05.02 The City and SLDC shall, within 30 days following delivery of the Certificate of Substantial Completion, carry out such inspections as they deem necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the project architect's certificate of substantial completion accompanying the Certificate of Substantial Completion. The certificates shall be deemed verified and the Certificate of Substantial Completion shall be deemed accepted by the City and the SLDC unless, prior to the end of such 30-day period after delivery to the City and the SLDC of the Certificate of Substantial Completion, the City or SLDC furnishes Developer with specific written objections to the status of the Work, describing such objections and the measures required to correct such objections in reasonable detail.

2.05.03 Upon acceptance of the Certificate of Substantial Completion by the City and SLDC or upon the lapse of 30 days after delivery thereof to the City and SLDC without any written objections by the City or SLDC, Developer may record the Certificate of Substantial Completion with the City's Recorder of Deeds, and the same shall constitute evidence of the satisfaction of Developer's agreements and covenants to perform the Work and the RPA1 Project. The Certificate of Substantial Completion shall be in substantially the form attached as Exhibit C hereto and incorporated by reference herein.

SECTION 2.06 Developer to Advance Costs. Developer agrees to advance all RPA1 Project Costs as necessary to complete the Work, all subject to Developer's right to abandon the RPA1 Project and to terminate this Agreement as set forth in Article II of this Agreement. Additionally, and not by way of limitation:

2.06.01 The City acknowledges that, prior to the execution of this Agreement, Developer has paid an initial fee of Seven Thousand Eight Hundred Sixty-Six dollars and no/100 (\$7,866), which monies have been paid one half to the Comptroller and one half to the SLDC to reimburse the Comptroller and the SLDC for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

2.06.02 Developer shall, within ten (10) days after the date of execution of this Agreement, pay the sum of Seven Thousand Eight Hundred Sixty-Six dollars and no/100 (\$7,866), which monies shall be paid one half to the Comptroller and one half to the SLDC to reimburse the Comptroller and the SLDC for their administrative costs incurred in connection with the negotiation of this Agreement;

2.06.03 Developer shall, within ten (10) days after receipt of a final statement for professional services from the Comptroller, pay to the Comptroller the sum set forth in such statement, which amount shall be paid to reimburse the Comptroller for its actual legal expenses, not to exceed, in the aggregate, \$15,000, incurred in connection with the adoption of the Area Approving Ordinance and the Agreement Approving Ordinance, adoption and/or assignment of the Note Ordinance, and the negotiation of the Redevelopment Agreement;

2.06.04 Developer shall, concurrently with the initial issuance of the TIF Notes, pay to the City a flat fee of Fifteen Thousand dollars and no/100 (\$15,000) for the City's Issuance Costs of such TIF Notes; and

2.06.05 Any amounts advanced to the City under this Section 2.06 shall represent Reimbursable RPA1 Project Costs to be reimbursed exclusively from the proceeds of the TIF Obligations as provided in and subject to Articles III, IV, VII, and X of this Agreement.

SECTION 2.07 Construction Contracts; Insurance. Developer shall enter into or cause to be entered into one or more construction contracts to complete the Work with respect to the Work to be reimbursed by the City pursuant to Article III, Developer shall use Mansur Construction as general contractor or such other general contractor as selected by the City with the written consent of Developer. Prior to the commencement of construction of any portion of the Work, Developer shall provide satisfactory documentation to the City and SLDC evidencing limitation of any recourse of any such contractor to the Special Allocation Fund or to any mechanic's lien rights against the real property in RPA1 Project Area and not against the City or SLDC. Prior to commencement of construction of any portion of the Work, Developer shall obtain or shall require that any of its contractors obtain workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts customary in the industry for similar type projects. Developer shall require that such insurance be maintained by any of its contractors for the duration of the construction of such portion of the Work. To the extent that laws pertaining to prevailing wage and hour apply to any portion of the Work, the City and Developer agree to cooperate and take all actions necessary to apply for the wage and hour determinations and otherwise comply with such laws.

SECTION 2.08 Governmental Approvals. The City and SLDC agree to employ reasonable and good faith efforts to cooperate with Developer and to process and timely consider and respond to all applications for the Governmental Approvals as received, all in accordance with the applicable City ordinances and laws of the State of Missouri.

SECTION 2.09 Design Plans; Changes. The Design Plans shall be prepared by a professional engineer or architect licensed to practice in the State of Missouri and the Design Plans and all construction practices and procedures with respect to the Work shall be in conformity with all applicable state and local laws, ordinances and regulations. During the progress of the Work, Developer may make such reasonable changes, including without limitation modification of the construction schedule, including dates of commencement and completion, modification of the areas in which the Work is to be performed, relocation, expansion or deletion of items, revisions to the areas and scope of Work, and any and all such other changes as site conditions or orderly development may dictate or as may be necessary or desirable, in the sole determination of Developer, to enhance the economic viability of the RPA1 Project and as may be in furtherance of the general objectives of the Redevelopment Plan; provided that (i) Developer shall comply with all laws, regulations and ordinances of the City and (ii) prior to any material changes, Developer shall obtain the advance written consent of the SLDC, which consent shall not be unreasonably withheld or delayed. For purposes of this Article, "material changes" shall mean any change that could reasonably be expected to result in a decrease in the aggregate amount of TIF Revenues generated within the RPA1 Project Area of at least ten percent (10%).

SECTION 2.10 Retail Tenant. So long as any TIF Obligations are outstanding, Developer agrees:

2.10.01 to give consideration in tenant selection to any tenant which will produce a higher volume of sales taxes for the City, all other economic terms and conditions being equal; and

2.10.02 if any proposed tenant operates another retail establishment within three miles of the RPA1 Project Area, to exercise diligent, good faith efforts to ensure that such tenant will not cease to operate at its other location for a period of one year after beginning operations within the RPA1 Project Area, provided that upon the written request of Developer with respect to any particular tenant, the City shall waive this requirement if the City reasonably determines, based upon evidence provided by Developer or otherwise obtained by the City, that the relocation of such tenant into the RPA1 Project Area was not directly benefitted by tax increment financing.

ARTICLE III City to Reimburse Developer

SECTION 3.01 City's Obligation to Reimburse Developer. The City agrees to reimburse Developer for verified Reimbursable Redevelopment Costs in the amounts and as set forth on Exhibit E, attached hereto and incorporated herein by reference, as may be adjusted by Articles IV, V, and VII hereof. Subject to the terms of the Note Ordinance and this Agreement, the City agrees to issue TIF Obligations to evidence the City's obligation to reimburse Developer for verified Reimbursable RPA1 Project Costs up to a maximum aggregate principal amount of \$2,667,732.

ARTICLE IV Limitation on Reimbursement to Developer

SECTION 4.01 Reimbursements Limited to Reimbursable RPA1 Project Costs; Developer's Right to Substitute. Nothing in this Agreement shall obligate the City to issue TIF Obligations or to reimburse Developer for any cost that does not qualify as a "redevelopment project cost" under Section 99.805(14) of the TIF Act. Developer shall provide to the City and to the SLDC a Certificate of Reimbursable RPA1 Project Costs in substantially the form of Exhibit A, attached hereto and incorporated herein by reference. Each Certificate of Reimbursable RPA1 Project Costs shall be accompanied by itemized invoices, receipts or other information evidencing such costs. The parties agree that each of the categories of costs set forth in Exhibit E, attached hereto and incorporated herein by reference, shall constitute Reimbursable RPA1 Project Costs which are eligible for reimbursement in accordance with the TIF Act and this Agreement. In the event that the City determines that any cost identified as a Reimbursable Redevelopment Project Cost is determined not to be a "redevelopment project cost" under Section 99.805(14) of the TIF Act, Developer shall have the right to substitute other RPA1 Project Costs as Reimbursable RPA1 Project Costs with a supplemental application for payment.

ARTICLE V Reimbursement Limited to Funds on Deposit in Special Allocation Fund

SECTION 5.01 City's Obligations Limited to Special Allocation Fund. Notwithstanding any other term or provision of this Agreement, the TIF Notes issued by the City to Developer for Reimbursable RPA1 Project Costs are payable only from the Special Allocation Fund and from proceeds of the TIF Bonds, if any, and from no other source.

ARTICLE VI Conditions Precedent

SECTION 6.01 Conditions Precedent to the Issuance of TIF Notes. As a condition precedent to the first endorsement to the TIF Notes, which shall constitute the initial issuance and delivery of the TIF Notes, Developer shall deliver to the City and SLDC the following:

6.01.01 Certificate of Commencement of Construction, in substantially the form of Exhibit B, attached hereto and incorporated herein by reference, evidencing that Developer has (a) acquired the RPA1 Project Area, (b) entered into a binding agreement with a contractor to construct the RPA1 Project, and (c) obtained all necessary financing needed to complete the RPA1 Project;

6.01.02 Certificate of Reimbursable RPA1 Project Costs evidencing Developer has incurred at least \$300,000 of Reimbursable RPA1 Project Costs, of which at least \$200,000 shall be hard costs related to categories 1 to 5 on Exhibit E attached hereto and incorporated herein by reference.

6.01.03 Payment of administrative fees and costs as set forth in Sections 2.06.02-2.06.04.

ARTICLE VII
Issuance of TIF Notes

SECTION 7.01 Procedures for the Issuance of TIF Notes

7.01.01 Upon satisfaction of the conditions of Article VI of this Agreement, the City agrees to issue TIF Notes as provided in the Note Ordinance up to a maximum aggregate principal amount of \$2,667,732 to reimburse Developer for Reimbursable RPA1 Project Costs. The TIF Notes shall have a stated maturity date that is twenty-three (23) years after the date of adoption of the Area Approving Ordinance.

7.01.02 Each TIF Note shall bear simple interest at a fixed rate per annum equal to seven and one half percent (7 ½%) if the interest on such TIF Notes is, in the opinion of Bond Counsel, not exempt from federal income taxation, or, at a fixed rate per annum equal to six percent (6%) if the interest on such TIF Notes is, in the opinion of Bond Counsel, exempt from federal income taxation.

7.01.03 Developer may deliver to the City and to SLDC Certificates of Reimbursable RPA1 Project Costs in accordance with Article 4 hereof. The City and SLDC shall approve or disapprove of each Certificate of Reimbursable RPA1 Project Costs within 30 days of the submittal thereof. If the City or SLDC disapproves any Certificate of Reimbursable RPA1 Project Costs, the City or SLDC shall state in writing the reasons therefor and provide Developer a reasonable opportunity to clarify or correct the Certificate of Reimbursable RPA1 Project Costs. If the City and SLDC fail to approve or disapprove any Certificate of Reimbursable Redevelopment Project Cost within 30 days of the receipt thereof, the Certificate of Reimbursable RPA1 Project Costs shall be deemed approved. Notwithstanding any provision contained in this Agreement to the contrary, the City and SLDC are not obligated to approve any Certificate of Reimbursable RPA1 Project Costs so long as Developer is in default under the terms of this Agreement.

7.01.04 Within ten (10) days of approval by the City and SLDC of a Certificate of Reimbursable RPA1 Project Costs, the City shall issue, subject to the limitations of Articles IV, V, and VII of this Agreement, endorsements to the TIF Notes evidencing advances for the reimbursement of Reimbursable RPA1 Project Costs. Endorsements shall be issued no more than once every other calendar month. The City shall be entitled to withhold from each endorsement of the principal amount of the TIF Notes an amount equal to ten percent (10%) of the maximum principal amount of each TIF Note allowable under this Agreement until such time as the Certificate of Substantial Completion has been accepted by the City and SLDC in the manner provided herein. Upon acceptance of the Certificate of Substantial Completion by the City and SLDC, the amount of this holdback shall be reimbursed to Developer by endorsement of the TIF Notes in accordance with the terms otherwise set forth in this Agreement. Notwithstanding anything contained in this Agreement to the contrary, upon the acceptance by the City and SLDC of a Certificate of Reimbursable RPA1 Project Costs and the issuance by the City of endorsements to the TIF Notes as provided in this Section, Developer shall be deemed to have advanced funds necessary to purchase such TIF Notes and the City shall be deemed to have deposited such funds in the Project Fund and shall be deemed to have reimbursed Developer in full for such costs from the amounts deemed to be on deposit in the Project Fund.

ARTICLE VIII
Redemption of TIF Notes

SECTION 8.01 Redemption and Payment of the TIF Notes. The TIF Notes shall be subject to special mandatory redemption by the City semi-annually on each March 1 and September 1, commencing on the first March 1 or September 1 after the acceptance of the Certificate of Substantial Completion by the City and SLDC, in a principal amount equal to Available Revenues on deposit in the Revenue Fund or Debt Service Fund of the Special Allocation Fund and which are not required for the payment of accrued interest.

ARTICLE IX
TIF Bonds

SECTION 9.01 Optional Issuance. The City may, in its sole and absolute discretion, issue, or cause to be issued, TIF Bonds at any time in an amount sufficient to refund all or a portion of the outstanding TIF Notes.

SECTION 9.02 Mandatory Issuance. Upon receipt of a written request by Developer and upon the City's underwriter's recommendation in favor of issuing TIF Bonds and recommendation of the principal amount thereof based on the criteria set forth below, the City shall immediately proceed to issue, or cause to be issued, TIF Bonds as described in this Section. The aggregate gross cash proceeds from the sale of the TIF Bonds before payment of Issuance Costs, together with any interest accrued thereon ("Bond Proceeds") of such TIF Bonds will be finally determined by the City after receiving the underwriter's recommendation based on the criteria set forth below. The City shall not be obligated to issue or cause to be issued such TIF Bonds unless the underwriter determines that all of the following criteria are satisfied as of the date of issuance of such bonds, unless such criteria are waived by the City's underwriter. Developer shall not have any liability for any costs associated with the issuance of TIF Bonds but shall bear its own costs and expenses, including any attorneys' fees and expenses, that Developer may incur in complying with this Section.

SECTION 9.03 Criteria for Issuance. The underwriter's recommendation for issuance of TIF Bonds and the principal amount thereof shall be based on the following criteria:

9.03.01 Confirmation that there are sufficient executed leases and/or satisfactory lease commitments in place to generate revenues sufficient to pay debt service on the TIF Bonds, based on the average rent and/or sales for such tenants;

9.03.02 Acceptance by the City of the Certificate of Substantial Completion;

9.03.03 Review of projections of TIF Revenues available for debt service as proposed by an independent qualified consultant. Such projections must show that (A) if all available TIF Revenues were to be applied to the immediate repayment of the TIF Bonds, the TIF Bonds would reasonably be anticipated to be retired within twenty-three years from the date of adoption of the Area Approving Ordinance, and (B) based on a maturity date twenty-three years from the date of adoption of the Note Ordinance, the TIF Bonds are reasonably likely to achieve debt service coverage ratio reasonably acceptable to the City's underwriter;

9.03.04 Developer must have obtained a Certificate of Occupancy for the residential portion (approximately 48,000 square feet) of the RPA1 Project Area; and

9.03.05 Developer's documentation of the RPA1 Project stabilization for a minimum period of two years as evidenced in a report to the City prepared by a qualified independent consultant to be paid for by the City, which report also sets forth TIF revenue projections for the RPA1 Project in connection with the issuance of the TIF Bonds; and

9.03.06 The net average annual debt service on the TIF Bonds (taking into account the principal portion of the TIF Bonds that are issued to establish a reserve fund and to pay Issuance Costs, and including any reserve fund earnings) will be lower than the average annual debt service on the outstanding TIF Notes, unless the Developer voluntarily elects to defer or forgive principal of and/or interest on the TIF Notes in an amount necessary to make the net average annual debt service on the TIF Bonds lower than the net average annual debt service on the outstanding TIF Notes.

SECTION 9.04 Application of Proceeds. Proceeds of any TIF Bonds shall be applied:

9.04.01 To the payment of costs relating to the issuance of the TIF Bonds;

9.04.02 To the payment of outstanding principal of and interest on the TIF Notes to be refunded;

9.04.03 To the payment of capitalized interest on the TIF Bonds; and

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

SECTION 9.05 Developer covenants. Developer covenants to cooperate and take all reasonable actions necessary to assist the City and its Bond Counsel, underwriters and financial advisors in the preparation of offering statements, private placement memorandum or other disclosure documents and all other documents necessary to market and sell the TIF Obligations, including disclosure of tenants of the RPA1 Project Area and the non-financial terms of the leases between Developer and such tenants. Developer will not be required to disclose to the general public or any investor any proprietary or confidential information, including financial information, pertaining to Developer, but upon the execution of a confidentiality agreement acceptable to Developer, Developer will provide such information to the City's financial advisors, underwriters and their counsel to enable such parties to satisfy their due diligence obligations. Developer shall make such compliance obligation a covenant running with the land,

enforceable as if any subsequent transferee thereof were originally a party to and bound by this Agreement.

SECTION 9.06 City to select underwriter. The City shall have the right to select the designated underwriter (and such financial advisors and consultants as the underwriter and the City deem necessary for the issuance of the TIF Bonds) and underwriter's counsel. The final maturity of the TIF Bonds shall not exceed the maximum term permissible under the Act. The TIF Bonds shall bear interest at such rates, shall be subject to redemption and shall have such terms as the City shall determine in its sole and absolute discretion.

ARTICLE X

Special Allocation Fund: Collection and Use of TIF Revenues

SECTION 10.01 Creation of Special Allocation Fund. The City agrees to cause its Comptroller or other financial officer to maintain the Special Allocation Fund. Subject to the requirements of the TIF Act and, with respect to EATS, subject to annual appropriation, the City shall promptly, upon receipt thereof, deposit or cause to be deposited, all Available Revenues into the Revenue Fund.

SECTION 10.02 Application of Available Revenues. The City hereby agrees for the term of this Agreement to apply Available Revenues and any taxes, fees or assessments subsequently enacted and imposed in substitution therefor and allocable to the Special Allocation Fund under the TIF Act, or under successor statutes, to the repayment of TIF Notes as provided in the Note Ordinance, or to the repayment of TIF Bonds, as applicable.

SECTION 10.03 Cooperation in Determining TIF Revenues. The City and Developer agree to cooperate and take all reasonable actions necessary to cause the TIF Revenues to be paid into the Revenue Fund, including the City's enforcement and collection of all such payments through all reasonable and ordinary legal means of enforcement. Developer and its successors and assigns shall supply or cause to be supplied to the City's Office of the Comptroller a completed Tax Increment Financing (TIF) District Quarterly Information Form for each business located within the RPA1 Project Area, the form of which is attached hereto as Exhibit F.

In addition, Developer and its successors and assigns shall exercise diligent, good faith efforts to ensure that each "seller" (as that term is defined in Section 144.010(10) of the Missouri Revised Statutes, as amended) located in the RPA1 Project Area provide to the City's Comptroller the following information:

10.03.01 Each "seller's" federal and state tax identification numbers.

10.03.02 Within thirty (30) days of filing, copies of all sales tax returns filed with the Missouri Department of Revenue (on Form 53-S.F. Missouri Department of Revenue or such successor form) with respect to the sales taxes originating from businesses located within the RPA1 Project Area. In the event that a "seller" has multiple business operations within the City, such "seller" shall file separate sales tax returns for the sales taxes originating from the business located within the RPA1 Project Area.

10.03.03 Within thirty (30) days of filing, copies of all earnings tax returns filed with the City (on Business Return Form 234 or such successor form) with respect to earnings taxes originating from the business located within the RPA1 Project Area. In the event that a business has multiple operations within the City, such business shall file separate earnings tax returns for the earnings taxes originating from the business located within the RPA1 Project Area.

10.03.04 Within thirty (30) days of filing, copies of all earnings tax withholding reports filed with the City (on Form W-10 or such successor form) with respect to earnings tax withholdings originating from the business located within the RPA1 Project Area. In the event that a business has multiple operations within the City, such business shall file separate earnings tax withholding reports for the earnings tax withholdings originating from the business located within the RPA1 Project Area.

10.03.05 Within thirty (30) days of filing, copies of all gross receipts tax reports filed with the City (on the City of St. Louis Gross Receipts' Tax Report or such successor form) with respect to gross receipts taxes originating from the business located within the RPA1 Project Area. In the event that a business has multiple operations within the City, such business shall file separate gross receipts tax reports for the gross receipts taxes originating from the business located within the RPA1 Project Area.

10.03.06 Within thirty (30) days of receipt, copies of monthly invoices received for utility services

provided to the property on which the business within RPA1 Project Area is located, including without limitation electric, water, natural gas, and telephone services.

Developer shall also request any purchaser or transferee of real property and any lessee or other user of real property located within the RPA1 Project Area to designate sales subject to sales taxes pursuant to Chapter 144 of the Revised Statutes of Missouri, as amended, to be reported as originating from the RPA1 Project Area to the fullest extent permitted by law (including reasonable efforts to negotiate for the inclusion of a clause so providing in the leases of RPA1 Project Area). Developer shall exercise diligent, good faith efforts to satisfy this requirement by including the obligations set forth in this Article within any deed conveying a portion of RPA1 Project Area to, or any Lease entered into with, any "seller".

SECTION 10.04 Notice of Transfer. Subject to the requirements of Section 14.11 herein, Developer shall notify the City in writing of any sale, transfer or other disposition of all or any portion of RPA1 Project Area or any interest therein as permitted by this Agreement within ninety (90) days after the date of said sale, transfer or other disposition. Said notice shall specify the name and address of the person so acquiring any or all of RPA1 Project Area or any interest therein and shall identify the property to be sold, transferred or otherwise disposed of, whether by voluntary transfer or otherwise.

SECTION 10.05 Obligations to run with the land. So long as any or the TIF Obligations are outstanding, Developer will exercise diligent, good faith efforts to cause any purchaser or transferee of real property located within RPA1 Project Area, and any lessee or other user of real property located within RPA1 Project Area to use all reasonable efforts to timely fulfill the obligations identified in this Article. Developer shall cause such obligations to be covenants running with the land, which covenants shall be enforceable as if such purchaser, transferee, lessee or other user of such real property were originally a party to and bound by this Agreement. Except as provided in this Article, Developer shall have no obligation to enforce or collect the payment of TIF Revenue by any "seller."

SECTION 10.06 Certificate of Total Initial Equalized Assessed Value. Within sixty (60) days following the Contract Date, the City shall provide to Developer a true, correct and complete copy of the City Assessor's calculation of the total initial equalized assessed valuation of all taxable real property within the RPA1 Project Area as determined pursuant to Section 99.855.1 of the Act.

SECTION 10.07 Certificate of Initial Economic Activity Tax Revenues. Within sixty (60) days following the Contract Date, the City shall provide to Developer a certification of the amount of revenues from taxes which are imposed by the City and other taxing districts (as the term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within RPA1 Project Area for the calendar year ending December 31, 2001, but excluding those taxes, licenses, fee or special assessments identified in Section 99.845.3 of the TIF Act.

ARTICLE XI Maintenance of RPA1 Project Area

SECTION 11.01 Maintenance of RPA1 Project Area. Developer shall remain in compliance with all applicable provisions of the City's ordinances relating to maintenance and appearances of RPA1 Project Area during construction of the RPA1 Project. Upon substantial completion and so long as any TIF Obligations are outstanding, Developer shall maintain or cause to be maintained all buildings and improvements in the RPA1 Project Area which it owns or leases in a reasonably good state of repair and attractiveness and in conformity with applicable state law, local ordinances and regulations, and shall maintain reasonable property and liability insurance. In the event there shall be separately-owned parcels of real estate within the RPA1 Project Area during the term of this Agreement, Developer shall cause, by means of covenants running with the land or otherwise, each owner to maintain the buildings and improvements on its parcel in a reasonably good state of repair and attractiveness and in conformity with applicable state law, local ordinances and regulations, and to maintain reasonable property and liability insurance with respect to the same.

ARTICLE XII Representations and Warranties

SECTION 12.01 Representations of Developer. Developer makes the following representations and warranties, which representations and warranties are true and correct on the date hereof:

12.01.01 Developer is a Missouri limited liability company duly organized, validly existing, and in good standing under the laws of the State of Missouri.

12.01.02 Developer has all necessary power and authority to enter into this Agreement and to perform the terms and obligations of this Agreement, and to execute and deliver the documents required of Developer herein, and has complied with all requirements of its operating agreement.

12.01.03 Developer has obtained all necessary financing for construction of the RPA1 Project, acquisition of the TIF Notes, and shall provide any necessary equity funds.

12.01.04 This Agreement constitutes the legal, valid and binding obligation of Developer, enforceable in accordance with its terms.

SECTION 12.02 Representations of the City. The City makes the following representations and warranties, each of which representations and warranties is true and correct on the date hereof:

12.02.01 The City is a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri.

12.02.02 The City has all necessary power and authority, through its Mayor and Comptroller to enter into this Agreement, and to execute and deliver the documents and instruments required of the City herein, and has complied with all procedural requirements of its ordinances, its charter and the Constitution and laws of the State of Missouri.

12.02.03 The City has all necessary power and authority, through its Mayor, Comptroller and Treasurer, to issue and sell the TIF Obligations.

12.02.04 This Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

SECTION 12.03 Indemnification. Developer agrees to indemnify, defend and hold the City and SLDC, their governing body members, officers, attorneys, employees, agents and independent contractors, harmless from and against any and all suits, claims, damages liabilities, costs and/or expenses arising out of the negligence (including errors and omissions) or willful misconduct of Developer, its employees, agents or independent contractors or lessees, in connection with the acquisition, management, development, redevelopment, construction and equipping of the RPA1 Project and the adoption and implementation of the Area Approving Ordinance and the Agreement Approving Ordinance. Developer agrees to name the City as an additional insured on its builders risk insurance policies applicable to the RPA1 Project and, upon reasonable written request, shall furnish to the City proof of such insurance coverage. Developer shall, to the fullest extent permitted by law, indemnify and hold harmless the City and the SLDC, their governing body members, officers, attorney, employees, agents and independent contractors thereof, from and against any and all liability, loss, damage, claim or expense (including, without limitation, attorneys' fees and court costs) arising out of or in connection with the breach of any of the representations and warranties in Section 12.01.

ARTICLE XIII Breach; Right to Cure

SECTION 13.01 Breach; Right to Cure. Except as otherwise provided in this Agreement and subject to Developer's and the City's respective rights of termination, in the event of any default in, or breach of, any term or conditions of this Agreement by either party, or any successor, the defaulting or breaching party (or successor) shall, upon written notice from the other party specifying such default or breach, proceed immediately to cure or remedy such default or breach, and shall, in any event, within thirty (30) days after receipt of notice, commence to cure or remedy such default or breach. In the event that the defaulting or breaching party (or successor) diligently and in good faith commences to cure or remedy such default or breach but is unable to cure or remedy such default or breach within thirty (30) days after receipt of notice, the defaulting or breaching party (or successor) shall, prior to the end of such thirty (30) days, provide notice to the other party that it has in good faith commenced to cure or remedy such default or breach, whereupon the defaulting or breaching party (or successor) shall have an additional thirty (30) days to cure or remedy such default or breach. In case such cure or remedy is not taken or not diligently pursued, or the default or breach shall not be cured or remedied prior to the end of the additional thirty (30) day period, the remedy to the aggrieved party shall be as set forth below:

13.01.01 If Developer is in breach of this Agreement at any time after the City's acceptance of the Certificate of Substantial Completion but prior to the issuance of the TIF Bonds, the City's sole and exclusive remedy, at law or in equity, shall be to suspend payments on any TIF Notes issued to Developer under this Agreement until Developer has cured or substantially cured such breach, at which time payments to Developer under this Agreement shall resume. Interest on such TIF Notes

shall cease to accrue during the time of such breach and cure.

13.01.02 If Developer is in breach before submittal to the City of the Certificate of Substantial Completion, the City may, as its sole and exclusive remedy, at law or in equity, terminate this Agreement after expiration of all applicable cure periods and subject to Excusable Delay. Upon such termination, the City shall be under no obligation to issue or cause to be issued any TIF Notes, and may cancel all outstanding TIF Notes issued to Developer.

13.01.03 If Developer is in breach of this Agreement after the issuance of the TIF Bonds, the City may pursue any and all legal and equitable remedies available to it as a result of such breach, including without limitation proceedings to compel specific performance.

13.01.04 If the City is in breach of this Agreement, Developer may pursuant any and all legal and equitable remedies available to it as a result of such breach, including without limitation proceedings to compel specific performance.

SECTION 13.02. City's Right to Terminate. The City may terminate this Agreement if Developer fails to submit its Certificate of Substantial Completion, acceptable to the City, in accordance with Section 2.02.03 of this Agreement. Upon such termination of this Agreement, the City shall have no further obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

ARTICLE XIV Miscellaneous Provisions

SECTION 14.01 Conflict of Interest. No member of the Board of Aldermen, or of any branch of the City's government that has any power of review or approval of any of Developer's undertakings shall participate in any decisions relating thereto which affect such person's personal interests or the interests of any corporation or partnership in which he is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Board of Aldermen the nature of such interest and seek a determination with respect to such interest by the Board of Aldermen and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

SECTION 14.02 Hazardous Substances. Developer agrees that it will comply with all laws, orders and regulations of any governmental authority regarding Hazardous Materials which are applicable to its use of the RPA1 Project Area. Hazardous Materials include Hazardous Materials and Substances as defined by 42 USC Section 9601, et seq. including any amendments thereto (CERCLA) any Hazardous Chemical as defined in 24 CFR 1910.1450, any substance, waste or other material considered hazardous, dangerous, or toxic under any of the Environmental Requirements, etc.

SECTION 14.03 Nondiscrimination. Developer agrees that, as an independent covenant running with the land forever, there shall be no discrimination upon the basis of race, creed, color, national origin, sex, age, marital status or physical handicap in the sale, lease, rental, occupancy or use of any of the facilities under its control in the RPA1 Project Area or any portion thereof and said covenant may be enforced by the City or the United States of America or any of their respective agencies. Developer further agrees that a provision containing the covenants in this Article shall be included in all agreements pertaining to the lease or conveyance or transfer (by any means) of all or a portion of the RPA1 Project and any of the facilities under its control in the RPA1 Project Area.

SECTION 14.04 Fair Employment. Without limiting any of the foregoing Developer voluntarily agrees to adhere to the Equal Opportunity and Nondiscrimination Guidelines set forth in the Redevelopment Plan and attached hereto and incorporated herein as Exhibit G. By execution of this Agreement, Developer certifies and agrees that it is under no contractual or other disability which would prevent it from complying with its policy set forth in Exhibit G.

SECTION 14.05 Employment of City Officials or Employees. In the acquisition, construction, rehabilitation and/or operation of the RPA1 Project, Developer shall not knowingly employ or contract with any person who is a member of the Board of Aldermen of the City, or is employed by the City in an administrative capacity, by which is meant those who have selection, hiring or supervisory or operational responsibility for the work to be performed pursuant to this Agreement.

SECTION 14.06 Cooperation. The City agrees to cooperate with Developer in carrying out the Redevelopment Plan with due diligence and will perform each and every act required of it under the Redevelopment Plan.

SECTION 14.07 Personal Liability. No governing body member, official, employee, attorney, agent or independent

contractor of the City or of Developer shall be personally liable to the other party or any successor in interest or assign of the other party, in the event to any default or breach by such party or successor or assign on any obligation under the terms of this Agreement.

SECTION 14.08 Notices and Demands. A notice, demand or other communication under this Agreement by either party to the other party shall be in writing and shall be sufficiently given or delivered if dispatched by registered or certified mail, return receipt requested, or delivered personally:

in the case of the City, to:

City Hall
Tucker and Market Streets
St. Louis, Missouri 63103
Attention: Mayor, Room 200
Attention: Comptroller, Room 311

with a copy to:

St. Louis Development Corporation
1015 Locust Street, Suite 1200
St. Louis, Missouri 63103
Attention: Executive Director

in the case of the Comptroller to:

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

with a copy to:

Armstrong Teasdale LLP
One Metropolitan Square
Suite 2600
St. Louis, Missouri 63102
Attention: James E. Mello, Esq.

in the case of Developer, to:

920/1000, LLC
c/o Loftworks LLC
1006 Olive St.
St. Louis, MO 63101
Attention: Craig Heller

with a copy to:

Husch & Eppenberger, LLC
190 Carondelet Plaza
Suite 600
St. Louis, MO 63105
Attention: David G. Richardson, Esq.

or to such other address or person as either party may designate in writing to the other party. Notice shall be deemed given on the date of personal delivery and on the date of receipt marked on the return card for registered or certified mail.

SECTION 14.09 Amendments. The terms, conditions and provisions of this Agreement and of the Redevelopment Plan can be neither substantially modified nor eliminated except by mutual agreement between the City and Developer, its successors and assigns; provided, however, that this Agreement shall be deemed to be and shall be construed as in compliance with the authority conferred upon the City by the TIF Act. It is understood that nothing herein to the contrary shall prevent the appropriation by the City of other funds for the purpose of financing or paying for the RPA1 Project Costs.

SECTION 14.10 Term. Except as otherwise provided herein, this Agreement shall remain in full force and effect so long as any TIF Obligations are outstanding. Upon payment of all costs and the retirement of all TIF Obligations (which in no event shall be later than twenty-three years from the date of adoption of the Redevelopment Plan), this Agreement shall automatically terminate and become null and void.

SECTION 14.11 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the parties named herein and their respective heirs, administrators, executors, personal representatives, successors and assigns. Without limiting the generality of the foregoing, prior to completion of the RPA1 Project and upon written notice to the City, this Agreement or any part hereof or interest herein may be assigned at any time to a Related Entity; provided, however, that if the assignment is to any party which is not a Related Entity, such assignment may be made only with the prior written consent of the City acting through its Board of Estimate and Apportionment, or after completion of the RPA1 Project, by Developer, subject to the terms and conditions of this Agreement. Prior to any sale, transfer or other disposition of all or any portion of the RPA1 Project Area or any interest therein to an organization exempt from payment of ad valorem property taxes, such organization shall be required to agree not to apply for an exemption from payment of such property taxes for a period ending on the earlier of: (i) the date that all TIF Obligations are paid in full, or (ii) twenty-three (23) years from the date that the Redevelopment Plan was adopted by the City. Developer shall make this requirement a covenant running with the land, enforceable for such period as if such purchaser or other transferee or possessor thereof were originally a party to and bound by this Agreement. Noncompliance herewith shall cause this Agreement to terminate and be null and void.

SECTION 14.12 No Other Notes, Bonds or Uses of TIF Revenues. The City shall not issue any other indebtedness or obligations secured by the Special Allocation Fund or the TIF Revenues (other than TIF Bonds to redeem the TIF Notes initially issued hereunder and still outstanding), and the City shall not use or apply any TIF Revenues or any amounts deposited in the Special Allocation Fund to pay any "redevelopment costs" (as such term is defined in TIF Act) other than the Reimbursable RPA1 Project Costs and such other RPA1 Project Costs as are expressly authorized for payment in this Agreement.

SECTION 14.13 City's Right to Inspect the RPA1 Project Area. The City may conduct such periodic inspections of the Work as may be generally provided in the building code of the City. In addition, Developer shall allow other authorized representatives of the City reasonable access to the Work site from time to time upon advance notice prior to the completion of the Work for inspection thereof. Developer shall not unreasonably deny the City and its officers, employees, agents and independent contractors the right to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents pertaining to the construction of the Work as the City determines is reasonable and necessary to verify Developer's compliance with the terms of this Agreement.

SECTION 14.14 Governing Law. This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by the laws of State of Missouri for all purposes and intents.

SECTION 14.15 Severability. This Agreement may be executed in multiple counterparts, each of which shall constitute one and the same instrument.

SECTION 14.16 Validity; Enforceability of Redevelopment Agreement. In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

SECTION 14.17 Third Party Claims. During such time as Developer is the owner of the TIF Notes, in the event a third party brings an action against the City or the City's officials, agents, attorneys, employees or representatives contesting the validity or legality of the RPA1 Project Area, the Redevelopment Plan, the TIF Obligations, or the ordinance approving this Agreement, Developer may, at its option, join the City in defense of such claim or action. The parties expressly agree that, so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the City and Developer in any such proceeding. Developer shall be responsible for all reasonable and necessary costs and expenses incurred by the City and by Developer in connection with the defense of such claim or action, provided that if the City does not approve a settlement or compromise which Developer would agree to, Developer shall not be responsible for any costs or

expenses incurred thereafter in the defense of such claim or action. All cost of any such defense, whether incurred by the City or Developer, shall be deemed to be Reimbursable RPA1 Project Costs and reimbursable from any amounts in the Special Allocation Fund, subject to Articles III, IV, V, VII and VIII of this Agreement.

SECTION 14.18 Memorandum of Agreement. Developer may, at its option, record a memorandum of this Agreement, and the agreements and covenants contained herein shall be covenants running with the land.

[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.]

IN WITNESS WHEREOF, the City and Developer have caused this Agreement to be duly executed in their respective names and have caused their respective seals to be hereunto affixed and attested as of the date first above written.

CITY OF ST. LOUIS, MISSOURI

By: _____
Francis G. Slay, Mayor

By: _____
Darlene Green, Comptroller

[SEAL]

Attest:

Parrie May, Register

Approved as to Form:

Patricia Hageman, City Counselor

920/1000, LLC

By: _____
Craig Heller, Manager

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

On this ____ day of _____, 200__, before me appeared Francis G. Slay, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the City of St. Louis, Missouri, that the seal affixed to the foregoing instrument is the seal of said City, and that said instrument was signed and sealed on behalf of said City by authority granted him by law; and said Francis G. Slay acknowledged said instrument to be the free act and deed of said City.

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

My term expires

(Seal)

Notary Public

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

On this ____ day of _____, 200__, before me appeared Darlene Green, to me personally known, who, being by me duly sworn, did say that she is the Comptroller of the City of St. Louis, Missouri, that the seal affixed to the foregoing instrument is the seal of said City, and that said instrument was signed and sealed on behalf of said City by authority granted her by law; and said Darlene Green acknowledged said instrument to be the free act and deed of said City.

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

My term expires

(Seal)

Notary Public

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

On this ____ day of _____, 200__, before me appeared Craig Heller, to me personally known, who, being by me duly sworn, did say that he is manager of 920/1000, LLC, and that said instrument was signed on behalf of said company and said manager acknowledged said instrument to be the free act and deed of said company.

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

My term expires

(Seal)

Notary Public

EXHIBIT A

**Form of Certificate of
Reimbursable RPA1 Project Costs**
Certificate of Reimbursable RPA1 Project Costs

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

Re: 920 Olive/1000 Locust TIF Redevelopment Plan

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Redevelopment Agreement dated as of _____ (the "Agreement"), between the City and 920/1000, LLC (the "Developer"). In connection with said Agreement, the undersigned hereby states and certifies that:

1. Each item listed on **Schedule 1** hereto is a Reimbursable RPA1 Project Costs and was incurred in connection with the construction of the RPA1 Project.
2. These Reimbursable RPA1 Project Costs have been have been paid by Developer and are reimbursable under the Note Ordinance and the Agreement.
3. Each item listed on **Schedule 1** has not previously been paid or reimbursed from money derived from the Special Allocation Fund or any money derived from any project fund established pursuant to the Note Ordinance, and no part thereof has been included in any other certificate previously filed with the City.

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

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

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

7. If any cost item to be reimbursed under this Certificate is deemed not to constitute a "redevelopment project cost" within the meaning of the TIF Act and the Agreement, Developer shall have the right to substitute other eligible Reimbursable RPA1 Project Costs for payment hereunder.

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

Yes: _____ No: X

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

Dated this _____ day of _____, _____.

920/1000, LLC

By: _____
Name: Craig Heller
Title: Manager

Approved for Payment this _____ day of _____, _____.

ST. LOUIS DEVELOPMENT CORPORATION

By: _____
Name: _____
Title: _____

Approved for Payment this _____ day of _____, _____.

CITY OF ST. LOUIS, MISSOURI

By: _____
Name: _____
Title: _____

EXHIBIT B

**FORM OF CERTIFICATE OF
COMMENCEMENT OF CONSTRUCTION**

DELIVERED BY

920/1000, LLC

The undersigned, 920/1000, LLC (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of _____, 2002, between the City of St. Louis, Missouri (the "City") and Developer (the "Agreement") hereby certifies to the City as follows:

1. All property within the RPA1 Project Area necessary for the RPA1 Project (as legally described on Appendix A attached hereto and by this reference incorporated herein and made a part hereof), has been acquired by Developer in accordance with the Agreement.

2. Developer has entered into an agreement with a contractor or contractors to construct the RPA1 Project.

3. Developer has paid or incurred Reimbursable RPA1 Project Costs of at least \$300,000, of which at least \$200,000 consist of hard construction costs related to categories 1-5 of Exhibit E to the Agreement.

4. Developer has obtained all necessary financing needed to complete the RPA1 Project.

5. This Certificate of Commencement of Construction is being issued by Developer to the City in accordance with the Agreement to evidence Developer’s satisfaction of all obligations and covenants with respect to commencement of construction of the RPA1 Project.

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

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this day of _____, ____.

By: _____

EXHIBIT C

FORM OF
CERTIFICATE OF SUBSTANTIAL COMPLETION

DELIVERED BY

920/1000, LLC

The undersigned, 920/1000, LLC, a Missouri limited liability company (the “Developer”), pursuant to that certain Redevelopment Agreement dated as of _____, 200__ between the City of St. Louis, Missouri (the “City”) and Developer (the “Agreement”), hereby certifies to the City as follows:

1. That as of _____, 200__, Developer has substantially completed construction of the RPA1 Project (as that term is defined in the Agreement) in accordance with the Agreement.

2. That Developer has substantially completed or funded the Work (as that term is defined in the Agreement) pursuant to Exhibit B to the Agreement.

3. Developer has performed the Work in a workmanlike manner and substantially in accordance with the Design Plans (as that term is defined in the Agreement).

4. This Certificate of Substantial Completion is accompanied by the project architect’s or owner representative’s certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as Appendix B and by this reference incorporated herein, certifying that the RPA1 Project has been substantially completed in accordance with the Agreement.

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

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

and covenants to perform the Work.

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

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this ____ day of _____, ____.

920/1000, LLC

By: _____
Name: Craig Heller
Its: Manager

ACCEPTED:

CITY OF ST. LOUIS, MISSOURI

By: _____
Name [Print]: _____
Title: _____

ST. LOUIS DEVELOPMENT CORPORATION

By: _____
Name [Print] _____
Title: _____

(Insert Notary Form(s) and Legal Description)

EXHIBIT D

**Legal Description of RPA1
920 Olive/1000 Locust**

Commencing at the intersection of the Southeast corner of the west part of Lot 1 and Lot 2 of J B C Lucas Addition in City Block 274 commonly referred to as 920 Olive Street and the North line of a 15 foot wide alley in City Block 274; thence Northwardly across all intervening streets and alleys, specifically Olive Street, along the East line of the west part of Lot 1 and Lot 2 of J B C Lucas Addition in City Block 274 commonly referred to as 920 Olive Street to a point of intersection with the North line of Olive Street parallel with the Northeast corner of the west part of Lot 1 and Lot 2 of J B C Lucas Addition in City Block 274 commonly referred to as 920 Olive Street; thence Westwardly along the North line of Olive Street to a point of intersection with the East line of 10th Street; thence Northwardly along the East line of 10th Street across all intervening streets and alleys to a point of intersection with the South line of Locust Street; thence Westwardly across all intervening streets and alleys, specifically 10th Street, to a point of intersection with the Northwest corner of the east part of Lot 7 and Lot 8 of J B C Lucas Addition in City Block 280 commonly referred to as 1000 Locust Street; thence Southwardly across all intervening streets and alleys to a point of intersection with the Center line of a 15 foot wide alley; thence Eastwardly along said Center line to a point of intersection with the West line of 10th Street; thence Southwardly along said West line across all intervening streets and alleys, specifically Olive Street, to a point of intersection with the South line of Olive Street; thence Eastwardly along the South line of Olive Street across all intervening streets and alleys, specifically 10th Street, to a point of intersection with the East line of 10th Street and the Northwest corner of the west part of Lot 1 and Lot 2 of J B C Lucas Addition in City Block 274 commonly referred to as 920 Olive Street; thence Southwardly along the East line of 10th Street to a point of intersection with a 15 foot wide alley in City Block 274 and the Southwest corner of the west part of Lot 1 and Lot 2 of J B C Lucas Addition in City Block 274 commonly referred to as 920 Olive Street; thence Eastwardly along said 15 foot wide alley in City Block 274 to the point of beginning.

EXHIBIT E

Reimbursable RPA1 Project Costs

CATEGORY		ESTIMATED COSTS*,**
1.	Demolition	\$150,000.00
2.	Land Acquisition	\$925,000.00
3.	Building Construction	\$1,107,732.00
4.	Environmental Remediation and Abatement	\$80,000.00
5.	Street and Utility Improvements	\$75,000.00
6.	Professional Services Includes architectural, engineering, surveying, planning and consulting fees.	\$315,000.00
7.	Issuance Costs	\$15,000.00
Total Reimbursable RPA1 Project Costs		\$2,667,732.00

* Subject to the limitations of **Articles III, IV, and V** of the Redevelopment Agreement.

** Except with respect to Total Reimbursable RPA1 Project Costs which shall not exceed \$2,667,732.00, it is not the intent of this Exhibit, the Redevelopment Plan, or this Agreement to restrict the City or Developer to the costs estimated for categories 1-5 listed above. During the time period that the Redevelopment Agreement is in effect, other costs may be incurred or adjustments may be made within and among line items 1-5 of this Exhibit.

EXHIBIT F

**OFFICE OF THE COMPTROLLER
City of St. Louis**

**Tax Increment Financing (TIF) District
Quarterly Information Form (Confidential)***

RPA1 Project Area: _____
 Quarterly Period: _____
 FED ID Number: _____

Name of Company: _____

Address:** _____

Home Office: _____

Contact Person: _____

Phone:

Earnings tax paid to City during quarterly period:
 (Business Return Form 234) _____

Earnings Tax withholding to City during
 quarterly period: (Form W-10) _____

Payroll tax paid to City during quarterly period:

(Form P-10)

Sales tax paid to State during quarterly period:
(Form 53-S.F. MO Dept. of Revenue Sales Tax Return)

Restaurant Gross Receipts:
(City of St. Louis Gross Receipts Tax Report)

* This information will not be part of any public record.

** INFORMATION IS REQUIRED FOR THIS SPECIFIC LOCATION ONLY. DO NOT COMBINE WITH ANY OTHER LOCATION

EXHIBIT G

Equal Opportunity and Non-Discrimination Guidelines

In any contract for Work in connection with the RPA1 Project related to any of the Property in the RPA1 Project Area, Developer (which term shall include Developer, any transferees, lessees, designees, successors and assigns thereof, including without limitation any entity related to Developer by one of the relationships described in Article 267(b) of the United States Internal Revenue Code of 1986, as amended), its contractors and subcontractors shall comply with all federal, state and local laws, ordinances or regulations governing equal opportunity and nondiscrimination (the "Laws"). Moreover, Developer shall contractually require its contractors and subcontractors to comply with the Laws.

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

Developer agrees for itself and its contractors and subcontractors that there shall be covenants to ensure that there shall be no discrimination on the part of Developer or its contractors and subcontractors upon the basis of race, color, creed, national origin, sex, marital status, age, sexual orientation or physical handicap in the sale, lease, rental, use or occupancy of any of the Property or any improvements constructed or to be constructed on the Property or any part thereof. Such covenants shall run with the land and shall be enforceable by the St. Louis Development Corporation and the City, as their interest may appear in the RPA1 Project.

Developer shall make good faith efforts to observe Executive Order #28 dated July 24, 1997, relating to minority and women-owned business participation in City contracts. The parties agree that the provisions of City Ordinance #60275, codified at Chapter 3.90 of the Revised Ordinances of the City of St. Louis, Missouri (the "First Source Jobs Policy"), do not specifically apply to Developer as a potential recipient of TIF Notes, TIF Bonds and/or TIF Revenues. Nonetheless, Developer voluntarily agrees to make good faith efforts to observe the provisions of the First Source Jobs Policy related to the negotiation of an employment agreement with the St. Louis Agency on Training and Employment.

APPENDIX 2

920 OLIVE/1000 LOCUST

SECOND AMENDED TIF REDEVELOPMENT PLAN

CITY OF ST. LOUIS ORDINANCE Nos/ 64887 and 65534 is on file in the Register's Office.

Approved: December 21, 2002