

ORDINANCE #65975
Board Bill No. 153

AN ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST. LOUIS, MISSOURI, AS A REDEVELOPMENT AREA KNOWN AS THE SOULARD MARKET APARTMENTS REDEVELOPMENT AREA PURSUANT TO THE REAL PROPERTY TAX INCREMENT REDEVELOPMENT ACT; APPROVING A REDEVELOPMENT PLAN AND THE REDEVELOPMENT PROJECT AREA ONE PROJECT WITH RESPECT THERETO; ADOPTING TAX INCREMENT FINANCING WITHIN THE REDEVELOPMENT AREA; MAKING FINDINGS WITH RESPECT THERETO; ESTABLISHING THE SOULARD MARKET APARTMENTS SPECIAL ALLOCATION FUND; AUTHORIZING CERTAIN ACTIONS BY CITY OFFICIALS; AND CONTAINING A SEVERABILITY CLAUSE.

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

WHEREAS, on December 20, 1991, pursuant to Ordinance No. 62477, the Board of Aldermen of the City created the Tax Increment Financing Commission of the City of St. Louis, Missouri (the “TIF Commission”); and

WHEREAS, the TIF Commission is duly constituted according to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri (2000) (the “TIF Act”), and is authorized to hold public hearings with respect to proposed redevelopment areas and redevelopment plans and to make recommendations thereon to the City; and

WHEREAS, staff and consultants of the City and Carriage Apartments, LLC, prepared a plan for redevelopment titled “Soulard Market Apartments TIF Redevelopment Plan” dated April 18, 2003, (revised May 19, 2003) (the “Redevelopment Plan”), for an area which is comprised of City Blocks 379 and 380 in downtown St. Louis, and including that certain portion of Marion Street as vacated by Ordinance No. 63645, and a portion of Ninth Street (the “Redevelopment Area” or “Area”). The Redevelopment Area is more fully described in the Redevelopment Plan, attached hereto and incorporated herein as **Exhibit A**; and

WHEREAS, the Redevelopment Plan anticipates that the Redevelopment Area will contain two (2) “Redevelopment Project Areas” (“RPA”). Therefore, the Redevelopment Plan designates that portion of the Area which includes City Block 380, 949 Marion Street (in City Block 379), that certain portion of Marion Street as vacated by Ordinance No. 63645, and a certain portion of Ninth Street, as Redevelopment Project Area 1 (“RPA1”). Further, the Redevelopment Plan designates the remaining portion of the Area as Redevelopment Project Area 2 (“RPA2”). A legal description of each RPA is included in the Redevelopment Plan; and

WHEREAS, the Redevelopment Plan proposes to completely redevelop the Area by rehabilitating and renovating RPA1 into a mixed use building with retail and residential uses (“RPA1 Project”), and to renovate and rehabilitate RPA2 into mixed use with commercial, retail, and residential uses (“RPA2 Project”); and

WHEREAS, on June 4, 2003, 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 Redevelopment Project; and

WHEREAS, on June 4, 2003, the TIF Commission found that completion of the Redevelopment Project would provide a substantial and significant public benefit through the creation of new jobs, the elimination of blight, the strengthening of the employment and economic base of the City, increased property and tax revenues, stabilization of the Redevelopment Area, and facilitation of economic stability for the City as a whole, and further found that without the assistance of tax increment financing in accordance with the TIF Act, the Redevelopment Project is not financially feasible and would not otherwise be completed; and

WHEREAS, on June 4, 2003, the TIF Commission voted to recommend that the Board of Aldermen adopt the Redevelopment Plan, and the Redevelopment Project, and designate the Redevelopment Area as a “redevelopment area” within the meaning of the TIF Act; and

WHEREAS, RPA1 is of historical and cultural significance to the City, and to the Soulard neighborhood 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 financially feasible and would not otherwise be completed; and

WHEREAS, the City, by Ordinance No. 59853, pursuant to a blighting study and plan for the “Soulard Market Apartments and Arcade Redevelopment Area,” dated March, 1986, designated the majority of the Redevelopment Area as a blighted area and approved a redevelopment plan for the Soulard Market Apartments and Arcade Redevelopment Area pursuant to §§ 99.300-99.715 of the Revised Statutes of Missouri (2000); and

WHEREAS, in addition, the City, by Ordinance No. 62527, pursuant to a blighting study and plan for the “1525 South Eighth Street Area,” dated March, 1992, designated the remainder of the Redevelopment Area as a blighted area and approved a redevelopment plan for the 1525 South Eighth Street Area pursuant to §§ 99.300-99.715 of the Revised Statutes of Missouri (2000). Further, by way of Ordinance No. 62527, the City has previously determined that the existence of underutilized and deteriorated property (within the Redevelopment Area) constitutes both an economic liability to the City of St. Louis and presents a hazard to the health and well-being of its citizens; and

WHEREAS, the Board of Aldermen has received the recommendations of the TIF Commission regarding the Redevelopment Area and the Redevelopment Plan and finds that it is desirable and in the best interests of the City to designate the Redevelopment Area as a “redevelopment area” as provided in the TIF Act, adopt the Redevelopment Plan, adopt and approve the RPA1 Project in order to encourage and facilitate the redevelopment of the Redevelopment Area; and

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

WHEREAS, it is necessary and desirable and in the best interest of the City to adopt tax increment allocation financing within the Redevelopment Area and to establish a special allocation fund for the Redevelopment Area in order to provide for the promotion of the general welfare through redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan which redevelopment includes, but is not limited to, assistance in the physical, economic, and social development of the City of St. Louis, 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.

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 makes the following findings:

A. The Redevelopment Area on the whole is a “blighted area”, as defined in Section 99.805(1) of the TIF Act, and has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing. This finding includes, the Redevelopment Plan sets forth, and the Board of Aldermen hereby finds and adopts by reference: (i) a detailed description of the factors that qualify the Redevelopment Area as a “blighted area” and (ii) an affidavit, signed by the Developer and submitted with the Redevelopment Plan, attesting that the provisions of Section 99.810.1(1) of the TIF Act have been met, which description and affidavit are incorporated herein as if set forth herein.

B. The Redevelopment Plan conforms to the comprehensive plan for the development of the City as a whole.

C. In accordance with the TIF Act, the Redevelopment Plan states the estimated dates of completion of the RPA1 Project and retirement of the financial obligations issued to pay for certain redevelopment project costs and these dates are twenty three (23) years or less from the date of approval of the RPA1 Project.

D. A plan has been developed for relocation assistance for businesses and residences in Ordinance No. 62481 adopted December 20, 1991.

E. A cost-benefit analysis showing the economic impact of the Redevelopment Plan, and more specifically, the RPA1 Project, on each taxing district which is at least partially within the boundaries of the Redevelopment Area is on file with the TIF Commission and St. Louis Development Corporation, which cost-benefit analysis shows the impact on the economy if the project is not built and is built pursuant to the Redevelopment Plan.

F. Redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan is not financially feasible without the assistance of tax increment financing and would not otherwise be completed.

G. The Redevelopment Plan does not include the initial development or redevelopment of any gambling establishment as that term is defined in Section 99.805(6) of the TIF Act.

H. The Redevelopment Area includes only those parcels of real property and improvements thereon directly and substantially benefitted by the proposed Redevelopment Project.

SECTION THREE. The Redevelopment Area described in the Redevelopment Plan is hereby designated as a “redevelopment area” as defined in Section 99.805(11) of the TIF Act.

SECTION FOUR. The Redevelopment Plan as reviewed and recommended by the TIF Commission on June 4, 2003, including amendments thereto, if any, and the RPA1 Project described in the Redevelopment Plan are hereby adopted and approved. A copy of the Redevelopment Plan is attached hereto as **Exhibit A** and incorporated herein by reference.

SECTION FIVE. Tax increment allocation financing is hereby adopted within the Redevelopment Area. After the total equalized assessed valuation of the taxable real property in RPA1 exceeds the certified total initial equalized assessed valuation of the taxable real property in RPA1, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in RPA1 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 redevelopment costs 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;

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 Treasurer, who shall deposit such payment in lieu of taxes into a special fund called the “Soulard Market Apartments 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 area selected for 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 SIX. In addition to the payments in lieu of taxes described in Section Five of this Ordinance, fifty percent of the total additional revenue from taxes, penalties and interest which are 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 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, shall be allocated to, and paid by the collecting officer to the City Treasurer or other designated financial officer of the City, who shall deposit such funds in a separate segregated account within the Soulard Market Apartments Special Allocation Fund.

SECTION SEVEN. There is hereby created and ordered to be established within the treasury of the City a separate fund to be known as the “Soulard Market Apartments Special Allocation Fund.” To the extent permitted by law, the City hereby pledges funds in the Soulard Market Apartments Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof.

SECTION EIGHT. 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 Five and Six of this Ordinance and the deposit of the said taxes or payments in lieu of taxes into the Soulard Market Apartments Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof, all in accordance with the TIF Act.

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 RPA1 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 RPA1, and shall certify such amount as the total initial equalized assessed value of the taxable real property within RPA1.

SECTION TEN. 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 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 ELEVEN. The Mayor and the Comptroller or their 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 TWELVE. 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

SOULARD MARKET TIF REDEVELOPMENT PLAN

**SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN**

Submitted to
City of St. Louis
Tax Increment Financing Commission
April 18, 2003
Revised May 19, 2003
Amended June 13, 2003

**SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN**

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SOULARD MARKET APARTMENTS TIF REDEVELOPMENT PLAN APPENDICES

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I. INTRODUCTION

Pursuant to Missouri’s Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800-99.865 of the Revised Statutes of Missouri (2000) (the “TIF Act”) the following is a redevelopment plan prepared by the City of St. Louis (“City”) in conjunction with Carriage Apartments, LLC, a Missouri limited liability company (the “Developer”) for renovation and rehabilitation of the structure located at 1531-35 South 8th Street (which property is generally known as the Welsh Baby Carriage Factory) and properties located at 949 Marion Street, 1513 South Eighth Street, 1521 South Eighth Street and 1525 South Eighth Street located in St. Louis, Missouri (the “Redevelopment Area” or “Area”). A legal description and map of the Redevelopment Area is included herein as **Appendix 1**.

The Redevelopment Area is comprised of approximately five (5) parcels of real property, which parcels are located within and include all of City Block 380, and part of City Block 379. The structure located at 1531-35 South 8th Street is a 5-story 190,994 square foot masonry building which is located within the Soulard Neighborhood Historic District, which district is listed on the National Register of Historic Places. The majority of the parcels within the Area are currently under contract for purchase by the Developer. The Redevelopment Area qualifies as a blighted area under the TIF Act.

In addition, the City, by Ordinance 59853, dated March 1986, pursuant to a redevelopment plan for the Soulard Market Apartments and Arcade Redevelopment Area, has designated all of City Block 380 (which includes the structure located at 1531-35 S. 8th Street) and the western portion of City Block 379 as blighted pursuant to §§ 99.300-99.715 Mo. Rev. Stat. Further, pursuant to a blighting study and plan for the 1525 South Eighth Street Area, the City, by Ordinance 62527, dated March 11, 1992 has designated the remainder of the Redevelopment Area as a blighted area and approved a redevelopment plan pursuant to §§ 99.300-99.715 Mo. Rev. Stat. (2000). A copy of Ordinance Nos. 59853 and 62527 are on file with the St. Louis Development Corporation and City TIF Commission.

This Redevelopment Plan anticipates that the Redevelopment Area will contain two “Redevelopment Project Areas” (“RPA”). Therefore, this Redevelopment Plan designates that portion of the Area depicted on Appendix 1, which portion includes all of City Block 380 and a portion of the southwestern corner of City Block 379, and includes that portion of Marion Street as vacated by Ordinance No. 63645, as Redevelopment Project Area 1 (“RPA 1”). Further, this Redevelopment Plan designates the remaining portion of the Area, which portion includes those parcels in City Block 379 as shown on Appendix 1 (1525 South 8th Street, 1521 South 8th Street and 1513 South 8th Street) as Redevelopment Project Area 2 (“RPA2”). A legal description of each RPA is included in Appendix 1.

This Redevelopment Plan proposes to completely redevelop the Area by rehabilitating and renovating RPA1 into a mixed use building with retail and residential uses (“RPA1 Project”), and to renovate and rehabilitate RPA2 into mixed use with commercial, retail and residential uses (“RPA2 Project”). Developer will seek approval by the TIF Commission of a separate TIF Redevelopment Project for RPA2 once the plans for such project are further developed. (Together, the RPA1 Project and RPA2 Project comprise the “Redevelopment Project” or “TIF Project.”)

The RPA1 Project includes the complete redevelopment, rehabilitation, and renovation of the structure located at 1531-35 S. 8th Street into approximately 23,618 square feet of commercial space on the first floor and in the basement, and approximately one hundred thirty-two (132) residential units on the first through fifth floors. In addition, approximately 149 surface parking spaces will be provided.

It is anticipated that the Redevelopment Project will serve as an incentive for residential growth in the Area, and will help serve as a catalyst not only for additional residential development in downtown St. Louis, but also for private investment, retail growth, and expansion of small businesses in the downtown area. The commercial portion of the Redevelopment Area will provide much needed services and other conveniences not only to new residents in the building, but to other city dwellers and workers as well. Completion of the Redevelopment Area will advance the goals and objectives of the Soulard Market Revitalization Plan and will serve to prevent/eliminate blight and will enhance the marketability of Soulard, LaSalle Park and downtown St. Louis as a vibrant community for people who are in increasing demand for safe, convenient, and new residential living in an urban setting in downtown St. Louis.

This Redevelopment Plan proposes that the City initially authorize and issue a Tax Increment Financing Note (“TIF Note”) in an amount equal to Four Million Five Hundred Fifty Thousand and no/100 (\$4,550,000.00) plus issuance costs to fund a portion of the costs associated with the RPA1 Project. Upon receipt by the City of a written request by Developer and evidence that the Developer has met certain criteria as agreed upon by the City and Developer in a Redevelopment Agreement, the City, or one of its agencies, shall immediately proceed to issue tax increment financing bonds (“TIF Bonds”) to repay the TIF Note. The TIF Bonds issued shall be reimbursed solely from the revenue stream of PILOTS and EATS generated by the Project over a twenty-three year period. Fifty percent of Economic Activity Taxes, as defined in the TIF Act, generated within the designated Redevelopment Area will be allocated to retire the TIF Note and/or TIF Bonds. Payments in lieu of real estate taxes within the Redevelopment Area (“PILOTS”) will also be allocated to retire the TIF Note and/or Bonds.

Other financing aspects of the Redevelopment Project are discussed in more detail in Section V.

II. OVERVIEW OF TAX INCREMENT FINANCING (“TIF”)

In order to promote the redevelopment of a declining area, or to induce new activity in an area that has been lacking in growth and development, the State of Missouri has provided statutory tools to counties and municipalities to assist private, and initiate public, investment. One such tool is the TIF Act.

The TIF Act allows cities and counties to (1) identify and designate redevelopment areas that qualify as Blighted Areas, Conservation Areas, or Economic Development Areas as each are defined in the TIF Act; (2) adopt a redevelopment plan that designates the redevelopment area and states the objectives to be attained and the program to be undertaken; (3) approve a

redevelopment project(s) for implementation of the redevelopment plan; and (4) utilize the tools set forth in the TIF Act to assist in reducing or eliminating those conditions that cause the area to qualify as a redevelopment area. Generally, the TIF Act allows municipalities to foster economic and physical improvements in a redevelopment or project area and to enhance the tax base of all taxing districts that levy taxes in such area. Within redevelopment areas, municipalities may use the power of eminent domain to provide necessary property acquisition for the implementation of a redevelopment plan and redevelopment project.

The concept of tax increment financing is outlined as follows: implementation of a redevelopment project within the redevelopment area will produce increased real estate assessments attributable to the redevelopment within the area. The project then makes PILOTS on the increased assessed value of the improved property. The project also generates new EATS resulting from operations within the redevelopment or project area. The TIF Act authorizes the capture of certain PILOTS and EATS in the redevelopment or project area over and above such levels within that area in the year prior to the approval of the redevelopment project. New development is made possible within the redevelopment area through the municipality's use of incremental revenues to finance certain costs of developing or redeveloping the area.

The municipality segregates these incremental revenues into a special account, the "special allocation fund," during the period of time in which the incremental revenues are dedicated to the purposes identified in the redevelopment plan. The municipality is further authorized to pledge additional net new revenues from the project to the purposes identified in the redevelopment plan. All taxing districts that levy taxes on property within the redevelopment or project area continue to receive tax revenues based upon property values which existed prior to the adoption of ordinances establishing the redevelopment or project area. Taxing districts also benefit from the increase in certain other taxes resulting from the increased economic activity in the redevelopment or project area. These taxes resulting from development of the redevelopment project are not deposited in the special allocation fund pursuant to the provisions of the TIF Act.

The TIF Act requires that, prior to establishing a redevelopment area or approving or amending TIF redevelopment plans and projects, a municipality must create a TIF Commission. A TIF Commission is comprised of six individuals appointed by the chief elected official of the municipality, with the consent of its governing body, and three individuals who are appointed by the other taxing districts within the proposed redevelopment area. Two of these three members are to represent the school district(s) that tax property within the proposed redevelopment area; the other member is appointed by all the remaining taxing districts. The TIF Commission's role is to review, consider, and make recommendations to the municipality's governing body concerning the adoption of redevelopment plans and redevelopment projects and the designation of redevelopment areas; and to exercise such other powers as are available to it under the TIF Act.

III. FINDING THAT REDEVELOPMENT AREA IS A BLIGHTED AREA

The City, by Ordinance No. 59853, pursuant to a blighting study and plan for the "Soulard Market Apartments and Arcade Redevelopment Area," dated March, 1986, designated the majority of the Redevelopment Area as a blighted area and approved a redevelopment plan for the Soulard Market Apartments and Arcade Redevelopment Area pursuant to §§ 99.300-99.715 Mo. Rev. Stat.

In addition, the City, by Ordinance No. 62527, pursuant to a blighting study and plan for the "1525 South Eighth Street Area," dated March, 1992, designated the remainder of the Redevelopment Area as a blighted area and approved a redevelopment plan for the 1525 South Eighth Street Area pursuant to §§ 99.300-99.715 Mo. Rev. Stat. Specifically, Ordinance No. 62527 states, in relevant part:

SECTION THREE: The Area qualifies as a redevelopment area in need of redevelopment under the provision of [Sections 99.300-9.715 inclusive], and the Area is blighted as defined in Section 99.320

EXHIBIT B, SECTION 2. GENERAL CONDITIONS OF THE AREA.

The area is in fair condition. The physical conditions within the Area are shown on Exhibit "B" (Project Area Plan). For the purpose of this Plan, "Fair Condition" means (1) property that is generally structurally sound but suffers from inadequate maintenance and upkeep, or (2) vacant unimproved property that is underutilized. "Poor Condition" means (1) buildings that are structurally unsound and/or substantially deteriorated, requiring major improvements such as new roofs, windows, systems, etc., in order to be used productively, or (2) property without buildings which is poorly maintained, has crumbling pavement, and/or is used for

open storage.

Unemployment figures, computed by the Missouri State Employment Service, indicate a 7.1% unemployment rate for the City of St. Louis as of October, 1991. It is estimated that this rate is prevalent for residents of the neighborhoods surrounding the Area, although there are no residents within the Area.

There are currently no jobs within the Area.

EXHIBIT B, SECTION 6. FINDING OF BLIGHT.

The property within the Area is unoccupied except for storage and in fair condition (as are defined in Section A(2) above). The existence of underutilized and deteriorated property constitutes both an economic liability to the City of St. Louis and presents a hazard to the health and well-being of its citizens. These conditions, therefore, qualify the Area as blighted within the meaning of Section 99.300 et seq. of the Revised Statutes of Missouri (the Land Clearance for Redevelopment Authority Law).

Ordinance No. 62527.

Despite the incentives available through the above-referenced plans, the Redevelopment Area remains blighted, unoccupied and underutilized.

As defined in the **TIF Act**, a “blighted area” is:

An area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

The Redevelopment Area is a blighted area as defined above based upon the City’s finding and the fact that it exhibits the factors enumerated above, which are further discussed as follows:

- i. Unsanitary or Unsafe Conditions. The Redevelopment Area is characterized by a lack of utilities, sanitary facilities and other mechanical components according to contemporary development and code standards for commercial uses. A large portion of the Area has remained vacant for over fifteen (15) years. The building located at 1531-35 South Eighth Street was originally heated with coal-burning boilers, which have been converted to gas, but which are no longer functioning. Later, heating was provided by gas-fired, suspended space heaters, which do not appear functional nor code compliant. They are located in a separate wing that is mostly below grade on the rear of the building (between the middle rear wing and smokestack). The building located at 1531-35 South Eighth Street has outdated wiring, sprinklers, plumbing, and minimal sewer connections, much of which is nonfunctional and not code compliant. Further, there are no fire alarms in the building.

A concrete smokestack, approximately 150 feet or more tall, is also present at the south side of the North Wing which is located near the northwest corner of the 1-story boiler structure located at 1531-35 South Eighth Street. The foundation system for the stack is unknown, as structural and architectural drawings are unavailable. It is believed the stack was constructed at the same general time as the original structure and appears to be of reinforced concrete construction based on limited site observations.

In the late 1980s, a publicly documented collapse of the west wall of the North Wing occurred during a storm. The wall was rebuilt with concrete masonry unit (CMU) construction with a brick veneer to match the existing building. The framing was constructed using wood sheathing, wood joists and steel girders. Similarly, the east wall at the opposite side of the North Wing appears to have also been strengthened with supplemental CMU construction that was likely added to help prevent a similar failure. Based on the past documented structural performance, the structure poses a life-safety hazard to tenants and areas surrounding the building footprint and on the public right-of-way.

In addition, according to the Phase I Environmental Site Assessment Update (Project #0930) performed by Environmental Operations, Inc. ("Phase I"), there is evidence of recognized environmental conditions in connection with the building located at 1531-35 South 8th Street, which building is part of the Redevelopment Area, such as asbestos and lead-based paint. Asbestos was found in the thermal system insulation, vibration cloth, floor tile, linoleum and transit sheeting. In addition, Phase I states that quantities of lead-based paint material is present in the Area. The structural and nonstructural components test positive for lead-based paint. Finally, Phase I states that there are two freight elevators in the east wing and one in the rear wing, but they do not function and are not up to current code. There are wooden stairwells in the east wing, three stairwells in the north wing and one stairwell in the rear wing, but most of these have deteriorated badly and are not safe. Metal fire escapes located on north, east and south elevations do not meet current code requirements and are not sound, with a great deal of rust and metal fatigue (one is mostly missing). The building is not currently ADA accessible. A copy of the Phase I is on file with the St. Louis Development Corporation and TIF Commission. Similar deficiencies such as lack of ADA accessibility are applicable to the other buildings located in the Redevelopment Area.

- ii. Deterioration of Site Improvements. In general, deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair. Deterioration may be evident in basically sound buildings containing minor defects, such as a lack of painting, loose or missing roof tiles, floor or ceiling panels, or holes and cracks over limited areas. Deterioration which is not easily curable, however, and which cannot be accomplished in the course of normal maintenance includes buildings with defects in the primary and secondary building components. Primary building components include the foundation, exterior walls, floors, roofs, wiring, plumbing, etc. Secondary building components include the doors, windows, frames, fire escapes, gutters, downspouts, fascia materials, etc. Deterioration of streets and alleys includes evidence of potholes, cracks, depressions, overgrowth, and poor drainage. Deterioration of sidewalks is evidenced by settled areas, cracks, gravel sections, overgrowth, or depressed curb areas.

As demonstrated by the physical condition of the Redevelopment Area and as set forth in the Phase I, the Redevelopment Area, taken as a whole, suffers from severe deterioration of both primary and secondary building components. These deficiencies cannot be corrected through normal maintenance but require replacement, renovation or rebuilding.

- iii. Existence of Conditions which Endanger Life or Property by Fire or Other Causes. Endangerment by fire or other causes is typically due to the presence of structures below minimum code standards. Such code standards include building, housing, property maintenance, fire or other governmental codes applicable to the property. The principal purpose of such codes is to require buildings to be constructed and maintained so that they will have the capability to support the type of occupancy, necessary fire and similar hazard protection, or to establish the minimum standards essential for safe and sanitary habitation.

The building located at 1531-35 South Eighth Street utilizes numerous unreinforced brick masonry window wall piers and stair shaft walls, which are inadequate to resist wind and seismic forces in longitudinal building directions and particularly in transverse building direction. Brick masonry in general is not very ductile and has relatively low shear strength as compared to more modern materials such as reinforced concrete or reinforced masonry. Additionally, the building code requires structural systems such as unreinforced brick to be designed for relatively large seismic forces to provide the properly desired structural performance level. Similar deficiencies are applicable to the other buildings located in the Redevelopment Area.

Due to the deterioration of site improvements and excessive vacancy of the Redevelopment Area as a whole, the Area suffers from the existence of conditions which endanger life or property by fire or other causes. Indeed, the Area as a whole lacks contemporary fire safety, sanitation, and other safety and security measures. The lack of maintenance and unsafe conditions evident in the Redevelopment Area is a hazard to both real property and personal safety.

- iv. Economic and Social Liability. The Area as a whole in its current condition is a liability to the general welfare and economic independence of the City. The appearance and state of the Redevelopment Area erodes, if not completely discourages, new investment and development. The age, excessive vacancy, condition and design of the Redevelopment Area prevents a landlord from demanding rent levels necessary to make improvements competitive with newer buildings, and thus further aggravates and continues the lack of maintenance,

redevelopment and incentive for investment in the Area.

- v. Menace to the Public Health, Safety, Morals or Welfare. As discussed above, the Redevelopment Area exhibits many factors, which constitute a menace to the public health, safety, morals, or welfare in its present condition and use. The deteriorating, unsanitary and unsafe site conditions as illustrated above represent a menace to the public health and safety; the economic liability of the deteriorated, vacant, or obsolete structures discussed above represents a menace to the public welfare.

The above factors, whether considered alone or as combined, constitute an economic and social liability, and constitute a menace to the public health, safety, and welfare. As long as such conditions are present in the Redevelopment Area, there will be little incentive for private investment and development to benefit the Area. Such disuse of property as is evidenced by the current condition of the Area retards redevelopment, lowers the morale of citizens, encourages abuse and social harm, and furthers the social stigma, which currently plagues that and other areas of the City of St. Louis.

In determining if the proposed Redevelopment Area meets the eligibility requirements for TIF per the TIF Act, a number of sources of information were utilized. These include, but are not limited to, the following:

- a. Exterior survey of the condition and use of buildings within the Redevelopment Area;
- b. Environmental Site Assessment Study of environmental conditions covering streets, alleys, sidewalks, curbs, parking facilities, landscaping, and general property maintenance;
- c. Analysis of existing uses and their relationships;
- d. Analysis of building and street design and layout; and
- e. Review of previously approved blighting studies.

IV. Redevelopment Plan INCLUDING NECESSARY FINDINGS

1. Description of the Redevelopment Area

A legal description and map of the Redevelopment Area is included herein as **Appendix 1**.

2. Redevelopment Plan Objectives

The City of St. Louis has established the following objectives for this Redevelopment Plan. These objectives are consistent with those purposes outlined in the TIF Act, as amended:

- To reduce or eliminate the conditions that cause the Redevelopment Area to be a “blighted area” as defined by Section 99.805(1) of the TIF Act and as described in Section III of this Redevelopment Plan;
- To enhance the public health, safety, and welfare of the community by improving the infrastructure, curing blighting conditions, and encouraging other public improvements necessary for insuring the Area’s stability and existing and future redevelopment consistent with this Redevelopment Plan;
- Increase the level and perception of safety and revitalization in the area which will in turn encourage an influx of new businesses and residents to the City;
- To upgrade and refurbish utilities, and other infrastructure facilities serving the Redevelopment Area;
- To enhance the tax base by inducing development of the Redevelopment Area to its highest and best use, benefit taxing districts and encourage private investment in surrounding areas;
- To promote the health, safety, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development;
- Increase property values of the Area;
- To provide development/business opportunities in the Redevelopment Area and surrounding areas;

- To stimulate construction and permanent employment opportunities and increased demand for services for the Area; and
- To serve as a catalyst for new residential development in the City.

3. Redevelopment Project

As previously mentioned, this Redevelopment Plan designates two separate redevelopment project areas within the Redevelopment Area as a whole (RPA1 and RPA2). The purpose of this is to allow for two separate projects within the Area (RPA1 Project and RPA2 Project). Such designation provides more flexibility as the market for various land uses dictates change or adjustments in uses. Together, the RPA1 Project and RPA2 Project constitute the Redevelopment Project and incorporate and will satisfy the goals and other criteria of this Redevelopment Plan.

RPA1 Project:

- Commercial Use Rehabilitation and renovation of approximately 23,618 square feet of the Area into commercial office and retail use.
- Residential Use Rehabilitation and renovation of approximately 127,032 square feet of the Area into residential use.

RPA2 Project:

- Mixed Use Rehabilitation and renovation of RPA2 into mixed use buildings.

At this time the concept for the RPA2 Project is less well developed than the concept and plans for the RPA1 Project. The Developer has begun to determine the proposed use, design, parking and prospective tenants for a new mixed-use development within the Area. Such plans are still in the development stage and will be finalized when the Developer is ready to submit a specific proposal to the City. Therefore, it is expected that a separate, more detailed RPA2 Project proposal will be submitted for approval after adoption by the City of this Redevelopment Plan. Any such submission will be subject to the requirements of the TIF Act, and may or may not require amendment of this Plan.

The Redevelopment Project is generalized to leave room for design creativity and accommodations as needed, and so that the Developer can respond to prospective tenant's needs and market conditions as completion of the Redevelopment Project progresses. Redevelopment of an area of this type must take into consideration the unique needs of a mix of a commercial and residential tenants with specific space needs and requirements including the provision of adequate parking and access for the disabled.

It is expected that the Redevelopment Project will in turn encourage and foster continued private as well as public investment in the surrounding areas. In addition, the safety of the area will improve due to the increase in activity and investment in the Area. The total estimated Redevelopment Project Costs for the RPA1 Project equal approximately \$29,226,316, as set forth in greater detail in **Appendix 2**, and approximately \$15,000,000 for the RPA2 Project. It should be noted that the costs set forth in Appendix 2 are estimated based on the knowledge of the TIF Project at this time and that the actual redevelopment cost items for implementing the RPA1 Project and RPA2 Project may vary depending on market conditions and other factors.

4. General Land Uses to Apply

The proposed land uses are part commercial and part residential. The Redevelopment Area is currently zoned "J" Industrial District. Permitted uses in the "J" District are: residential uses; various retail uses; general and professional offices; hotels and motels; package liquor stores; wholesale business; restaurants; and parking lots. In the "J" Central Business District, multiple-family residential apartment and condominiums are permitted uses provided, however, that forty percent (40%) or more of the frontage is occupied by dwellings. Therefore, re-zoning of the Area is not anticipated to be required for implementation of this Redevelopment Plan.

5. Redevelopment Schedule and Estimated Dates of Completion

It is estimated that implementation of the RPA1 Project will be completed within three (3) years from the date of execution of a redevelopment agreement for completion of such project as contemplated by this Redevelopment Plan. Completion of the RPA2 Project will be completed within approximately three (3) years from the date of approval of a redevelopment agreement for

completion of such project as contemplated by this Redevelopment Plan. The estimated date for retirement of obligations incurred to finance the Redevelopment Project shall not be more than twenty-three (23) years from approval of the RPA1 Project and RPA2 Project, respectively. Included herein as **Appendix 3** is the anticipated Redevelopment Program Schedule for the RPA1 Project.

6. Most Recent Equalized Assessed Value of Parcels within the Redevelopment Area

A list of the current (2003) Equalized Assessed Values of all taxable property in the Redevelopment Area is attached as **Appendix 4**. These values are established and will be confirmed by the Assessor of the City of St. Louis. The total assessed value of taxable property in the Redevelopment Area subject to PILOTs as of the date of this Redevelopment Plan is \$474,500.00.

7. Estimated Equalized Assessed Value after Redevelopment

The total estimated Equalized Assessed value of all taxable property subject to PILOTs in the Redevelopment Area after redevelopment and completion of RPA1 Project is approximately \$3,335,263.00, as set forth in greater detail in **Appendix 5**. The additional total estimated Equalized Assessed Value of all taxable property subject to PILOTs in the Area after completion of RPA2 Project is approximately \$3,913,252.00, subject to further determination by the City upon further development of project plans and specifications for the RPA2 Project by the City and Developer.

8. Acquisition Parcels Necessary for Completion of the Redevelopment Projects

Developer or one of its related entities is currently the owner under contract of the majority of parcels in RPA1. This Redevelopment Plan, however, anticipates the possible need to acquire additional property for completion of the Redevelopment Project through the exercise of eminent domain and, further, the need to vacate certain streets and alleys within the Area. Therefore, eminent domain is hereby authorized in RPA1. Eminent domain may be authorized in RPA2 upon approval of the RPA2 Project by the City.

9. Finding that the Redevelopment Area is a Blighted Area

As previously described in greater detail in Section III, the Redevelopment Area as a whole is a blighted area, and has not been subject to growth and development through investment by private enterprise and will not reasonably be expected to be developed without the adoption of tax increment financing. The Developer has executed an affidavit attesting to the existence of these conditions, which is included herein as **Appendix 6**.

The costs of demolition, environmental remediation, site preparation, construction and rehabilitation preclude private enterprise from developing the Area to its highest and best use without public assistance. The cost of curing the existing conditions of blight and construction of improvements as contemplated in this Redevelopment Plan is not economically viable if fully borne by the Developer.

10. Finding that the Redevelopment Project and Plan Conform with the Comprehensive Plan of the City

The proposed land uses, zoning, and proposed redevelopment plans are appropriate and consistent with local objectives as defined by the General Plan of the City of St. Louis which includes the "Comprehensive City Plan" (1947), the "St. Louis Development Program" (1973), the "Economic Development Strategy" (1978), and the "Soulard Market Revitalization Plan" (1999). Further, this Redevelopment Plan is consistent with the objectives for the Area as set forth in Ordinance Nos. 59853 and 62527.

11. Plan for Relocation Assistance

Relocation of residents or businesses is not anticipated to be necessary within the Redevelopment Area with respect to the TIF Projects. To the extent relocation would be necessary, this Redevelopment Plan adopts the City of St. Louis Relocation Policy (Ordinance No. 62481) as the relocation policy for this Redevelopment Plan.

12. Cost Benefit Analysis

A cost benefit analysis showing a net benefit to each taxing district impacted by this Redevelopment Plan and the RPA1 Project is on file with the St. Louis Development Corporation and City TIF Commission.

At this time, the Developer is requesting approval of the RPA1 Project only. Therefore, the Cost-Benefit Analysis examines

only the RPA1 Project. RPA2 Project will be evaluated when the RPA2 Project is more fully developed and the Developer is ready to request approval for the RPA2 Project.

The City and Developer have not yet completed the plans and specifications for the RPA2 Project, which may change due to market conditions or the needs and requirements of prospective tenants. Therefore, once determined, the Developer and City will prepare a cost-benefit analysis on each taxing district impacted by the RPA2 Project as such analysis may be more accurately and readily prepared.

If the TIF Redevelopment Project is completed, then each of the taxing districts will continue to receive all of the tax revenues currently received from the Redevelopment Area. Additionally, they will benefit from the additional property taxes and economic activity taxes, which will be paid and not contributed to the TIF. The TIF Act allows for the collection of only 50% of the EATS for payment of project costs. The other 50% are distributed to the appropriate taxing authorities. EATS also exist which are not applied to the TIF Projects as provided in the TIF Act. For example, the MetroLink portion of the local sales tax, the State Blind Pension levy and the Commercial Surcharge are all excluded from the TIF.

13. Statement that the Redevelopment Project and Plan Do Not Include Gambling Establishment

The Redevelopment Plan does not include the initial development or redevelopment of any gambling establishment.

14. Reports to DED

As required by the Statute, the City shall report to the Department of Economic Development by the last day of February each year, the name, phone number, and primary line of business of any business which locates within the Redevelopment Area.

V. FINANCING PLAN

1. Eligible Redevelopment Project Costs

The TIF Act provides for the use of tax increment revenues generated by a designated redevelopment area to pay all reasonable or necessary costs incurred, estimated to be incurred, or incidental to a redevelopment plan or redevelopment project within a TIF redevelopment area ("Redevelopment Project Costs"). A municipality may pledge all or any part of the funds in and to be deposited in the special allocation fund established for a redevelopment project area to the payment of redevelopment project costs and obligations within the redevelopment area, including the retention of funds for the payment of future redevelopment project costs.

The estimated Redevelopment Project Costs to be incurred in connection with the RPA1 Project is approximately \$29,226,316 as set forth in **Appendix 2**. More specifically, the TIF Act allows the City and/or its designated developer(s) to incur redevelopment costs associated with implementation of an approved Redevelopment Plan and approved Redevelopment Project. These costs include all reasonable or necessary costs incurred, and any costs incidental to a Redevelopment Project. Thus, this Redevelopment Plan anticipates that a portion of the sources of funds used to pay the Redevelopment Project Costs will come from TIF revenues, which costs, in accordance with the TIF Act, may include, but are not limited to:

- Cost of studies, surveys, plans and specifications;
- Professional service costs including, but not limited to, architectural, engineering, legal marketing, financial, planning or special services;
- Property assembly costs including, but not limited to, acquisition of land and other property real or personal or rights, or interests therein;
- Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;
- Costs of construction of public works or improvements;
- Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include the payment of interest on any obligations issued under the provisions of this Redevelopment Plan accruing during the estimated period of construction of any redevelopment Project for

which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto; and

- All or a portion of a taxing district's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the City, by written agreement, accepts and approves such costs.

The costs as shown on **Appendix 2** represent the total approximate cost of the project regardless of the source of funding. This table does not include custom finishes over and above Developer supplied finishes, which are unknown at this time. Typical plan implementation and financing costs are based on the experience of the Developer. It should be noted that these costs are estimated based on the knowledge of the project at this time and that the actual redevelopment cost items for implementing the Redevelopment Plan and the Redevelopment Project may vary from these estimates.

It is not the intent of **Appendix 2** or this Redevelopment Plan to restrict the City or the Developer to the cost amounts or cost items as outlined. During the life of the Redevelopment Area, Plan and Project, other costs may be incurred or adjustments may be made within and among the line items specified in **Appendix 2**, if necessary and reasonable to accomplish the program objectives of the Redevelopment Plan.

2. Anticipated Sources of Funds to Pay Redevelopment Project Costs

There are five principal sources of funds that are anticipated to be used to pay the costs of implementation of the Redevelopment Plan and the Redevelopment Project previously described. These sources are:

- Federal Historic Tax Credits;
- State Historic Tax Credits;
- Private Financing;
- Owner Equity;
- Funds available through the issuance of TIF notes, bonds, loans, certificates or other certificates of indebtedness (herein collectively referred to herein as "TIF Note or other financial obligations").

3. TIF Note Funding

This Redevelopment Plan proposes that the City initially authorize and issue a Tax Increment Financing Note ("TIF Note") in an amount equal to Four Million Five Hundred Fifty Thousand Dollars and no/100 (\$4,550,000) plus issuance costs to fund a portion of the Project Costs associated with completion of the RPA1 Project. The costs associated for completion of the RPA2 Project will be evaluated and determined at a later date when plans for RPA2 Project are more fully developed and the Developer and the City are ready to move forward with completion of RPA2 Project. At such time, Developer may request that the City initially authorize and issue an additional TIF Note in an amount to be determined by the City to fund a portion of the costs associated with completion of the RPA2 Project.

Upon receipt by the City of a written request by Developer and evidence that the Developer has met certain criteria as agreed upon by the City and Developer in a Redevelopment Agreement for the particular RPA, the City, or one of its agencies, shall immediately proceed to issue tax increment financing bonds ("TIF Bonds") to repay the TIF Note. The TIF Bonds issued shall be reimbursed solely from the revenue stream of PILOTS and EATS generated within the particular RPA over a twenty-three year period. Fifty percent of Economic Activity Taxes, as defined in the TIF Act, generated within the designated Redevelopment Area will be allocated to retire the TIF Note and/or TIF Bonds. Payments in lieu of real estate taxes within the particular RPA ("PILOTS") will also be allocated to retire the TIF Note and/or TIF Bonds.

It is the City's intent to pay for the principal and interest on the TIF Note, TIF Bonds, or other financial obligations, in any year, solely with money legally available for such purpose within the City's Special Allocation Fund. In addition, the TIF Notes, TIF Bonds, or other obligations may be privately placed.

The City's Special Allocation Fund will contain at least two accounts:

1. The "PILOTS Account" which will contain all payments in lieu of taxes derived from all taxable, lots, blocks, tracts, and parcels of real property (or any interest therein) within the Redevelopment Area as such property is described in **Appendix 1** to the Redevelopment Plan; and

2. The “Economic Activity Taxes (“EATS”) Account” which will contain fifty percent (50%) of the total funds from taxes imposed by the City which are generated by the operations and activities within the Redevelopment Area as such property is described in **Appendix 1** to the Redevelopment Plan, excluding licenses, fees or special assessments, and excluding personal property taxes and payments to the PILOTS Account.

Funds on deposit in the PILOTS Account will be pledged to the payment of the Redevelopment Project Costs. Funds on deposit in the EATS Account will be subject to annual appropriation by the City for payment of the Redevelopment Project Costs. Such payment obligations shall not constitute debts or liabilities of the City, the State of Missouri, or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction and neither the City nor the State of Missouri shall be liable thereon except from the PILOTS Account, and, to the extent appropriated by the City on an annual basis, from funds derived from other taxes deposited into the Special Allocation Fund.

3 Evidence of Commitment to Finance Project Costs

Appendix 7 contains a preliminary commitment letter provided by Gershman Investment Corporation, which bank has made a preliminary review of the development proposal and has expressed an interest to finance the Project Costs associated with the Project.

APPENDIX 1

**SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN**

**LEGAL DESCRIPTION AND MAP OF THE REDEVELOPMENT AREA,
INCLUDING DEPICTION OF SEPARATE REDEVELOPMENT PROJECT AREAS
 (“RPA”) WITHIN THE REDEVELOPMENT AREA**

(To extent of any conflict between the Map and the Legal Descriptions, the Map shall control.)

Redevelopment Area
Legal Description

Parcel 1: 1531-35 SOUTH EIGHTH STREET

Parcel ID No. 03800000100

All of Block 75 and 80 of JULIA C. SOULARD’S SECOND ADDITION and the vacated alley lying between said Block and being all of Block 380 of the City of St. Louis; bounded North by Marion Street, East by Eighth Street, South by Carroll Street and West by Ninth Street, including that portion of vacated Marion Street, vacated by Ordinance No. 63645, adjoining to the East.

Parcel 2: 949 MARION STREET

Parcel ID No. 03790000500

All of Block 82 and Part of lots, 6, 7, 8, 9, and 10 of SOULARD’S ADDITION in City Block 379 of the City of St. Louis being irregularly shaped 110.5 feet wide by 182.86 in depth.

Parcel 3: PORTION OF VACATED MARION STREET

All of that portion of Marion Street between 8th Street on the East and the right-of-way of Interstate Highway 55 on the West vacated by Ordinance No. 63645.

Parcel 4: PORTION OF NINTH STREET

All of that portion of Ninth Street between Carroll Street on the South and the right-of-way of Interstate Highway 55 on the North.

Parcel 5: 1513 SOUTH EIGHTH STREET

Parcel ID No. 03790000200 & Parcel ID No. 03790000208

Parcel 6: 1521 SOUTH EIGHTH STREET

Parcel ID No. 03790000150

Parcel 7: 1525 SOUTH EIGHTH STREET

Parcel ID No. 03790000050

The Southern 14 feet of Lot 8 and all of Lots 9 and 10 in Block 8 of J.C. SOULARD'S SECOND SUBDIVISION and part of an alley vacated by Ordinance #27544 in Block 379 of the City of St. Louis and being more particularly described as follows: Beginning at a point in the West line of 8th Street, 60 feet wide distant 127.59 feet South of the Southeast corner property conveyed to the State of Missouri by deed recorded in Book 7053 Pa 188 of the St. Louis City Records, being 8.41 feet South of the Northeast corner of Lot 4 of said Block and Subdivision; thence Southwest along the West line of 8th Street 74 feet to the North line of Marion Street; thence West along the North line of Marion Street 160 feet to the West line of 20 foot alley vacated by Ordinance #27544; thence North along the West line of said vacated alley 74.03 feet, more or less, to the center line of a wall dividing 1517 and 1519 South Eighth Street; thence East along a line through the center line of said wall 160 feet to the West line of 8th Street distant 10 feet South of the Northeast corner of said Lot 8 and point of beginning.

SOULARD MARKET APARTMENTS

RPA1 Legal Description

Parcel 1: 1531-35 SOUTH EIGHTH STREET

Parcel ID No. 03800000100

All of Block 75 and 80 of JULIA C. SOULARD'S SECOND ADDITION and the vacated alley lying between said Block and being all of Block 380 of the City of St. Louis; bounded North by Marion Street, East by Eighth Street, South by Carroll Street and West by Ninth Street, including that portion of vacated Marion Street, vacated by Ordinance No. 63645, adjoining to the East.

Parcel 2: 949 MARION STREET

Parcel ID No. 03790000500

All of Block 82 and Part of lots, 6, 7, 8, 9, and 10 of SOULARD'S ADDITION in City Block 379 of the City of St. Louis being irregularly shaped 110.5 feet wide by 182.86 in depth.

Parcel 3: PORTION OF VACATED MARION STREET

All of that portion of Marion Street between 8th Street on the East and the right-of-way of Interstate Highway 55 on the West vacated by Ordinance No. 63645.

Parcel 4: PORTION OF NINTH STREET

All of that portion of Ninth Street between Carroll Street on the South and the right-of-way of Interstate Highway 55 on the North.

SOULARD MARKET APARTMENTS

RPA2 Legal Description

Parcel 1: 1513 SOUTH EIGHTH STREET

Parcel ID No. 03790000200 & Parcel ID No. 03790000208

Parcel 2: 1521 SOUTH EIGHTH STREET

Parcel ID No. 03790000150

Parcel 3: 1525 SOUTH EIGHTH STREET

Parcel ID No. 03790000050

The Southern 14 feet of Lot 8 and all of Lots 9 and 10 in Block 8 of J.C. SOULARD'S SECOND SUBDIVISION and part of an alley vacated by Ordinance #27544 in Block 379 of the City of St. Louis and being more particularly described as follows: Beginning at a point in the West line of 8th Street, 60 feet wide distant 127.59 feet South of the Southeast corner property conveyed to the State of Missouri by deed recorded in Book 7053 Pa 188 of the St. Louis City Records, being 8.41 feet South of the Northeast corner of Lot 4 of said Block and Subdivision; thence Southwest along the West line of 8th Street 74 feet to the North line of Marion Street; thence West along the North line of Marion Street 160 feet to the West line of 20 foot alley vacated by Ordinance #27544; thence North along the West line of said vacated alley 74.03 feet, more or less, to the center line of a wall dividing 1517 and 1519 South Eighth Street; thence East along a line through the center line of said wall 160 feet to the West line of 8th Street distant 10 feet South of the Northeast corner of said Lot 8 and point of beginning.

**APPENDIX 2
SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN

ESTIMATED REDEVELOPMENT PROJECT COSTS
AND ANTICIPATED USES OF FUNDS

(RPA1 PROJECT)**

<u>USES</u>	<u>COSTS</u>
Acquisition	\$2,400,000
Prof. Fees and Soft Costs	
Architectural	\$450,000
Environmental & Engineering	\$75,000
Property Survey	\$15,000
Property Appraisal	\$15,000
Legal Fees	\$175,000
Developer Fee	\$3,875,000
Construction Management Fee	\$775,000
Miscellaneous Fees	\$65,000
Interim/Financing Costs	
Construction Period Insurance	\$275,000
Construction Period Interest	\$1,200,000
Construction Period Taxes	\$132,000
Title, Loan & Disbursing	\$450,000
Utilities	\$95,000
Marketing Costs	
Advertising & Promotions	\$45,000
Sales Literature	\$40,050
Commission	\$95,274
Signage	\$50,000
Display Costs - Furnishings	\$80,000
Management	\$60,000
Miscellaneous	\$8,250
Construction Costs	\$17,953,088
Contingency	\$897,654
TOTAL USES	\$29,226,316

APPENDIX 3

SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN

REDEVELOPMENT PROGRAM SCHEDULE

Soulard Market Apartments TIF Project Proposed Schedule	Date	March				April				May				June				July			
		2	9	16	23	4	11	18	30	6	13	20	27	4	11	18	25	1	6	13	20
Notice of formation of proposed TIF District to taxing districts and school districts to appoint members to TIF Commission (RSMo. § 99.820.2(7))	02/24-03/21/03	[Gantt bar spanning from 02/24 to 03/21/03]																			
Advertise RFP for TIF Redevelopment Projects	03/01/03	[Gantt bar starting at 03/01/03]																			
City TIF Review Committee Meets Sets TIF Commission agenda	03/21/03	[Gantt bar starting at 03/21/03]																			
TIF Commission Meeting to review proposal and approve Resolution 00-TIF-XX which sets a time and place for Public Hearing	04/16/03	[Gantt bar starting at 04/16/03]																			
Mailing of Notice of TIF Commission Public Hearing to taxing Districts (not less than 45 days prior to hearing) (RSMo. §99.830.3)	04/09/03	[Gantt bar starting at 04/09/03]																			
Submit Redevelopment Plan to TIF Commission (at least 45 days to public hearing)	04/18/03	[Gantt bar starting at 04/18/03]																			
First Publication of Notice of TIF Commission Public Hearing (not more than 30 days prior to hearing) (RSMo. §99.830.1)	05/10/03	[Gantt bar starting at 05/10/03]																			
Written Notice to Property Owners (not less than 10 days to public hearing) (RSMo. § 99.830.3)	05/25/03	[Gantt bar starting at 05/25/03]																			
Second Publication of Notice of TIF Commission Public Hearing (not more than 10 days to Public Hearing) (RSMo. § 99.830.1)	05/28/03	[Gantt bar starting at 05/28/03]																			
Public Hearing by TIF Commission (RSMo. § 99.825)	06/04/03	[Gantt bar starting at 06/04/03]																			
TIF Commission Recommendation to Board of Aldermen (within 90 days of TIF public hearing) (RSMo. § 99.820.3)	06/04/03	[Gantt bar starting at 06/04/03]																			
TIF Ordinances Introduced adopting plan, approving project, establishing district, establishing special allocation fund, approving redevelopment agreement and authorizing Issuance of TIF Notes (no sooner than 14 days after and not more than 90 days after the hearing) (RSMo. § 99.820.1(1))	06/20/03	[Gantt bar starting at 06/20/03]																			
HUDZ Committee Hearing on TIF Ordinances	06/25/03	[Gantt bar starting at 06/25/03]																			
Second Reading of TIF Ordinances	06/27/03	[Gantt bar starting at 06/27/03]																			
Perfection of Board Bill(s)	07/04/03	[Gantt bar starting at 07/04/03]																			
Third Reading and Final Passage of TIF Ordinances	07/11/03	[Gantt bar starting at 07/11/03]																			
Mayor Signs Bills	07/21/03	[Gantt bar starting at 07/21/03]																			
Construction Complete	09/01/04	[Gantt bar starting at 09/01/04]																			

APPENDIX 4

**SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN**

**EQUALIZED ASSESSED VALUE (2003) OF ALL PARCELS
WITHIN THE REDEVELOPMENT AREA**

RPA1

RPA1 includes all of City Block 380 and a portion of City Block 379, which includes, but is not limited to, the following parcels:

ADDRESS	PARCEL ID NUMBER	OWNER	ASSESSED VALUE
1531-35 S. 8th (which includes Marion Street, vacated by Ordinance No. 63645.	03800000100	Blue Devil Ventures, LLC (under contract For purchase by Developer, or one of its affiliates)	\$316,700
949 Marion Street	03790000500	Eighth Street, LLC	\$7,500

In addition, RPA1 will require vacation of that certain portion of Ninth Street between Carroll Street and the right-of-way of Interstate Highway 55 and includes all of that portion of Marion Street between 8th Street on the East and the right-of-way of Interstate Highway 55 on the West vacated by Ordinance No. 63645.

RPA2

RPA2 includes all of City Block 379, excluding 949 Marion and those portions of City Block 379 owned by the State of Missouri, which includes, but is not limited to, the following parcels:

ADDRESS	PARCEL ID NUMBER	OWNER	ASSESSED VALUE
1513 S. 8th Street	03790000200 & 03790000208	Edwin W. Winkler	\$6,200
1521 S. 8th Street	03790000150	Edwin W. Winkler	\$36,500
1525 S. 8th Street	03790000050	Halloween Productions, Inc.	\$111,500
			Total=\$154,200

In addition, RPA2 will include portions of certain streets and alleys within RPA2 as previously vacated by City Ordinance No. 27544, or all other applicable street vacation ordinances.

APPENDIX 5

**SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN**

PROJECTED TIF REVENUES FROM THE RPA1 PROJECT is on file in the Register's Office.

APPENDIX 6

**SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN**

DEVELOPER AFFIDAVIT is on file in the Register's Office.

APPENDIX 7

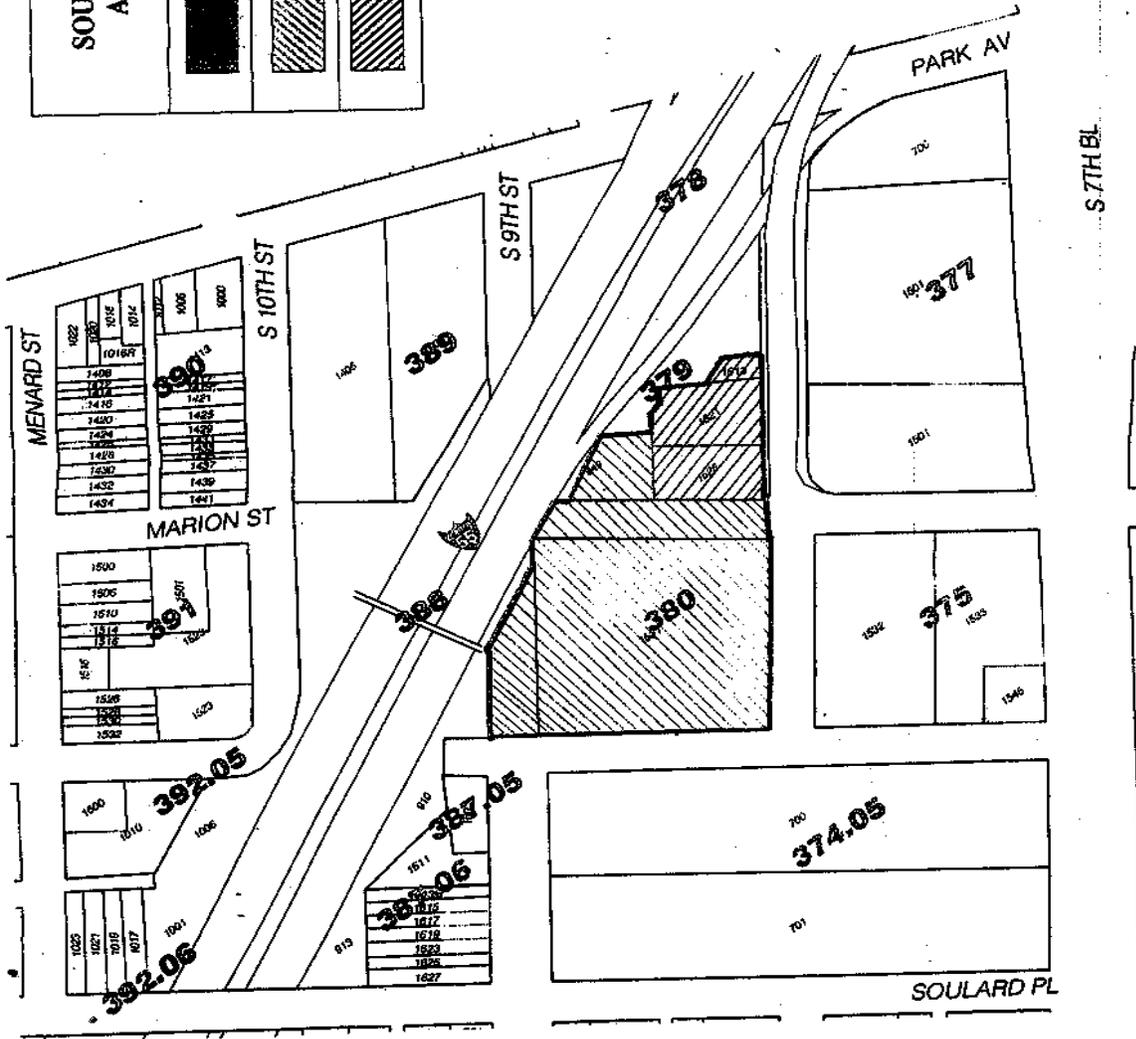
**SOULARD MARKET APARTMENTS
TIF REDEVELOPMENT PLAN**

EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS is on file in the Register's Office.

See attached Exhibit

65975

SOULARD MARKET APARTMENTS	Redevelopment Area	RPA1	RPA2
			



Approved: July 23, 2003