**ORDINANCE #66425**
**Board Bill No. 196**

**AN ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST. LOUIS, MISSOURI, AS A REDEVELOPMENT AREA KNOWN AS THE WAREHOUSE OF FIXTURES REDEVELOPMENT AREA PURSUANT TO THE REAL PROPERTY TAX INCREMENT REDEVELOPMENT ACT; APPROVING A REDEVELOPMENT PLAN AND A REDEVELOPMENT PROJECT WITH RESPECT THERETO; ADOPTING TAX INCREMENT FINANCING WITHIN THE REDEVELOPMENT AREA; MAKING FINDINGS WITH RESPECT THERETO; ESTABLISHING THE WAREHOUSE OF FIXTURES 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), as amended (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 University Village Apartments, L.P., a Missouri limited partnership company (the "Developer"), prepared a plan for redevelopment titled "Warehouse of Fixtures TIF Redevelopment Plan" dated April 30, 2004, as amended (the "Redevelopment Plan"), for an area which includes thirteen parcels located at the intersections of Forest Park, Laclede and South Spring Avenues in St. Louis (the "Redevelopment Area"), which Redevelopment Area is more fully described in the Redevelopment Plan, attached hereto and incorporated herein as **Exhibit A**; and

**WHEREAS,** the Redevelopment Plan proposes to redevelop a portion of the Redevelopment Area which is more fully described in the Redevelopment Plan (the "Redevelopment Area") by rehabilitating and renovating the Redevelopment Area into a single mixed-use development including commercial, residential, and parking uses, as set forth in the Redevelopment Plan (the "Redevelopment Project," or "TIF Project"); and

**WHEREAS,** on June 23, 2004, 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 23, 2004, the TIF Commission found that completion of the Redevelopment Project would provide a substantial and significant public benefit through the preservation of historic structures, the strengthening of the employment and economic base of the City, increased property values 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 23, 2004, the TIF Commission voted to recommend that the Board of Aldermen adopt an ordinance in the form required by the Act (i) approving the Redevelopment Plan, (ii) approving and designating the Redevelopment Area as a "redevelopment area" as provided in the Act, (iii) approving the Redevelopment Project as described within the Redevelopment Plan, and (iv) approving the issuance of a tax increment financing revenue note in the amount as specified in the Redevelopment Plan; 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 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 and Redevelopment 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, the downtown St. Louis area, encouragement of a sense of community identity, safety and civic pride, preservation and restoration of property of historical and architectural value and significance 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 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 Redevelopment 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 Redevelopment 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 on each taxing district which is at least partially within the boundaries of the Redevelopment Area is on file with the St. Louis Development Corporation, which cost-benefit analysis shows the impact on the economy if the Redevelopment 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 benefited 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 23, 2004, including amendments thereto, if any, and the Redevelopment 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.** There is hereby created and ordered to be established within the treasury of the City a separate fund to be known as the "Warehouse of Fixtures Special Allocation Fund." To the extent permitted by law, the City hereby pledges funds in the Warehouse of Fixtures Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof.

**SECTION SIX.** Tax increment allocation financing is hereby adopted within the Redevelopment Area. After the total equalized assessed valuation of the taxable real property in the Redevelopment Area exceeds the certified total initial equalized assessed valuation of the taxable real property in the Redevelopment Area, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in the Redevelopment 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 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 Redevelopment 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 Redevelopment 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 Redevelopment 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 the Warehouse of Fixtures 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 Redevelopment 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 are imposed by the City or other taxing districts, and which are generated by economic activities within the area of the Redevelopment Project over the amount of such taxes generated by economic activities within the area of the Redevelopment Project in the calendar year prior to the adoption of the Redevelopment 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) as amended, or taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri (2000) as amended, 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 Warehouse of Fixtures Special Allocation Fund.

**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 Six and Seven of this Ordinance and the deposit of the said taxes or payments in lieu of taxes into the Warehouse of Fixtures 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 the Redevelopment 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 Redevelopment Area, and shall certify such amount as the total initial equalized assessed value of the taxable real property within the Redevelopment Area.

**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.

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

## EXHIBIT A

## WAREHOUSE OF FIXTURES TIF REDEVELOPMENT PLAN

## WAREHOUSE OF FIXTURES

**TIF REDEVELOPMENT PLAN**
**Submitted to**
**the City of St. Louis and**
**St. Louis Tax Increment Financing Commission**
**April 30, 2004**

## WAREHOUSE OF FIXTURES

### TIF Redevelopment Plan

**WAREHOUSE OF FIXTURES TIF REDEVELOPMENT PLAN**

**APPENDICES**



**I. INTRODUCTION**

The following is a plan prepared by the City of St. Louis ("City") for a redevelopment project (the "Redevelopment Project" or "Project") consisting of six existing buildings and twelve parcels at the intersections of Laclede, Forest Park and Spring Avenues in midtown St. Louis (the "Redevelopment Area" or "Area"). A legal description and map of the Redevelopment Area are contained herein as **Appendix 1.**

The Redevelopment Area consists of the buildings commonly known as the Sanford Brickman Building (also known as "Box Building"), the Harrison Williams Building, and four buildings in the Warehouse of Fixtures complex. The six structures in the Redevelopment Area, which were formerly used for warehouse and other industrial purposes, were originally constructed between 1898 and 1941. The Redevelopment Area qualifies as a blighted area under Missouri's Real Property Tax Increment Allocation Redevelopment Act, Section 99.800-99.865 of the Revised Statutes of Missouri (2000) (the "TIF Act).

This Redevelopment Plan proposes to completely redevelop the Area into a single mixed-use property containing a combination of residential, office, retail and parking uses. The Redevelopment Project will attempt to attract currently underserved potential consumers and residents from nearby St. Louis University, Grand Center, and the Central West End, and expects that the customer and residential base provided by these areas will provide demand for the Project uses and act as a catalyst for further development in this neighborhood.

This Redevelopment Plan proposes that the City initially authorize and issue a Tax Increment Financing Note ("TIF Note") in an amount up to Six Million One Hundred Thousand Dollars and no/100 ($ 6,100,000.00) plus issuance costs to fund a portion of the costs of the Redevelopment Project. The TIF Note issued shall be reimbursed solely from the revenue stream of Payments In Lieu of real estate Taxes ("PILOTS") and Economic Activity Taxes ("EATS") generated by the Project over a twenty-three year period. Fifty percent of EATS, as defined by the TIF Act, generated within the designated Redevelopment Area will be allocated to retire the TIF Note. One hundred percent of PILOTS within the Redevelopment Area will also be allocated to retire the TIF Note. After completion of the Redevelopment Project, the City may issue TIF Note(s) or other TIF obligations to the selected developer of the Redevelopment Project ("Developer") or a third party to evidence the City's obligation to reimburse the Developer for a portion of the costs of the Redevelopment Project. Such TIF Note(s) will be paid solely from revenues on deposit in the Warehouse of Fixtures Special Allocation Fund, in accordance with and pursuant to the TIF Act. Upon receipt by the City of a written request by Developer and evidence that the Developer has met certain criteria agreed upon by the City and Developer in a Redevelopment Agreement, the City shall cause one of its agencies to immediately proceed to issue tax increment financing bonds ("TIF Bonds") to repay the TIF Note.

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

## II. OVERVIEW OF TAX INCREMENT FINANCING

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

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.

Section 99.805(1). Mo. Rev. Stat.

A large portion of the Redevelopment Area was originally included in the Grand Center TIF District. In Ordinance 65703, the City of St. Louis determined that the Area, as part of the Grand Center TIF District, constituted a "blighted area" for the purposes of the TIF Act. Although the Area has since been excluded from the Grand Center TIF District, conditions still remain in the Area that qualify it as a blighted area under the TIF Act.

The Redevelopment Area is a blighted area as defined in the TIF Act based upon the fact that it exhibits the factors set forth above, which are further discussed as follows:

i. Improper Subdivision or Obsolete Platting. The buildings in the Area were originally constructed between 1898 and 1941, at a time when modern transportation and logistical concerns were not contemplated. As such, the Area suffers from inadequate parking space for its intended uses, and this lack of available parking in the immediate vicinity of the Area is amplified by the Area's proximity to St. Louis University. Additionally, the buildings in the Area were platted in such a manner that in many places they are located too close to other buildings and to periphery rights-of-way to allow for the types of access and unloading room that their intended warehouse uses would demand.

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 panes, 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 pot holes, cracks, depressions, overgrowth, and poor drainage. Deterioration of sidewalks is evidenced by settled areas, cracks, gravel sections, overgrowth, or depressed curb areas.

    The buildings in the Redevelopment Area suffer from a history of severe deterioration of both primary and secondary building components. The City of St. Louis Department of Public Safety provided evidence of this fact in the form of letters dated January 19, 1993 and January 23, 1993, which provided notice of violations of the Building Code of the City of St. Louis, contained in Section 119.0 of Ordinance #64771, at the properties in the Warehouse of Fixtures complex. These letters identified the following specific violations of the City's Building Code: cracked walls, bulged and/or shifted walls, collapsed walls, defective roofing, leaks in roofs, stripped plumbing and heating utilities, stripped and/or removed electric components, and inoperable water service. These violations are notices of a history of deterioration in the Area.

    In addition to historical violations of the City's Building Code noted above, the Redevelopment Area contains other forms of deterioration of primary and secondary building components. The walls of the buildings in the Area exhibit signs of deterioration, and the exterior walls of some buildings have been vandalized, defaced or otherwise damaged. The buildings contain numerous cracked window panes, with several others missing and, in some places, entire sections of windows are missing completely. The buildings have loose or missing ceiling and floor tiles and steps, and the floors of the buildings have been suffered significant damage from past industrial and warehouse uses. The entryways to portions of the Area have been damaged to the point of becoming unsecure. The buildings in the Area lack proper ventilation and utility service, with some utility components missing and others exposed. Portions of buildings in the Redevelopment Area have suffered from ground floor water penetration, causing the further deterioration of and damage to building floors.

iii. Unsanitary or Unsafe Conditions. The Redevelopment Area is characterized by several serious unsanitary and unsafe conditions. The general problems of deterioration create significant unsanitary and unsafe conditions, including unsecured access points, exposed utilities and ground floor water penetration. The Area is littered with debris and garbage as a result of a lack of regular maintenance. Bird and bat excrement are present in the buildings in the Area, posing serious risks to health.

Furthermore, the Area contains evidence of several recognized or potential environmental conditions that are unsanitary or unsafe. The likely existence of petroleum impact to the underlying soil of the Area creates a recognized environmental condition, as does the likely existence of PCB-containing materials in the soil. In addition to these recognized conditions, several other potential environmental conditions exist in the Area that suggest a need for remediation. One such condition is the presence of asbestos in thermal system insulation, acoustical ceiling tiles, drywall materials, boiler insulation, fire doors and roofing materials. Lead-based paint may also be present, based on the age of the buildings in the Area, as may lead in drinking water components. Also, lighting ballasts may contain additional PCB contaminants that pose a serious risk to safety.

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

The past violations of the City's Building Code discussed above provide clear evidence of a history of conditions that endanger lives or property. Additionally, the deterioration of such features as windows, doors and other means of access in the Redevelopment Area pose a threat to the security of the Area and thus endanger lives or property.

v. Economic and Social Liability. The Area in its current condition is a liability to the general welfare and economic independence of the City. The Area contains tremendous economic potential given its strategic location in close proximity to St. Louis University, which provides substantial demand for both commercial and residential services. The dedication of the Area to industrial and warehouse uses fails to capitalize on the demand provided by St. Louis University and to meet the needs of students, and thus necessitates the conversion of the Area to a use more congruent with its location. Such conversion is unlikely without some incentive for investment in the Area. Because of the age, condition and design, and underutilization of the Redevelopment Area, a land owner is unable to demand rent levels and/or sale prices necessary to make the required improvements to the Area and remediate unsanitary, unsafe or dangerous conditions while at the same time remaining competitive with nearby developments. This fact further aggravates and continues the lack of maintenance, redevelopment and incentive for investment in the Area.

vi. 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 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.

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 the Redevelopment Area;
b. Phase I environmental reports prepared by Sitex Environmental, Inc.;
c. Evidence of code violations provided by the City of St. Louis
d. Public documents relating to the history and/or condition of the Area; and
e. Analysis of existing uses and their relationships.

## IV. Redevelopment Plan INCLUDING NECESSARY FINDINGS

1. <u>Description of the Redevelopment Area</u>

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

2. <u>Redevelopment Plan Objectives</u>

The City of St. Louis has established the following objectives for the Warehouse of Fixtures TIF 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 curing blighting conditions and encouraging other improvements necessary for insuring the Area's stability and existing and future redevelopment consistent with this Redevelopment Plan;

- 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 provide needed residential and commercial services to the surrounding region;

- To develop the Redevelopment Area in a coordinated manner by developing a mix of uses in the same general location that will support and complement each other;

- To capitalize on the available demand for the proposed uses at this particular location;

- To promote the health, safety, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development;

- To increase property values of the Redevelopment Area;

- To provide development opportunities in the Redevelopment Area and surrounding areas; and

- To stimulate construction and permanent employment opportunities and increased demand for services for the Redevelopment Area.

3. <u>Redevelopment Project</u>

The Redevelopment Project incorporates and will satisfy the goals, objectives, and other criteria as set forth in this Redevelopment Plan.

- Residential Use — Conversion of over 300,000 gross square feet of space into residential units and parking.

- Commercial Use — Renovation of approximately 100,000 gross square feet of space into both commercial space and parking.

The Redevelopment Project is generalized to leave room for design creativity and tenant specifications as needed, so that the Developer can respond to prospective owners' needs as well as market conditions as completion of the Redevelopment Project progresses.

It is expected that the Redevelopment Project will capitalize on unmet demand for the contemplated residential and commercial offerings in the midtown area. In addition, it is expected that the Project will encourage an increase in property values and commercial and residential development in the vicinity of the Redevelopment Area.

The total estimated Redevelopment Project Costs for the Redevelopment Project equal approximately $53.5 million, as set forth in greater detail in **Appendix 2**. It should be noted that the costs set forth in **Appendix 2** are estimated based on the knowledge of the Redevelopment Project at this time and that the actual redevelopment cost items for implementing the Redevelopment Project may vary depending on market conditions and other factors.

4. General Land Uses to Apply

The Redevelopment Area is currently located within "J" Industrial District, in which general and professional offices, retail stores, parking facilities, wholesale businesses and manufacturing, but not residential uses, are permitted. To the extent necessary to effectuate the purposes of the Redevelopment Project, Developer will apply for a variance or change in the zoning of the property to accommodate the Redevelopment Project.

5. Redevelopment Schedule and Estimated Dates of Completion

It is estimated that implementation of the Redevelopment Project will be completed within twenty-four months from the date of execution 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 Redevelopment Project. Included herein as **Appendix 3** is the anticipated Redevelopment Program Schedule for the TIF Project.

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

The current (2004) Equalized Assessed Values of all taxable property in the Redevelopment Area, which constitutes all of the taxable property within the Redevelopment Area which is to be subjected to PILOTS and EATS pursuant to Section 99.845 Mo. Rev. Stat. (2000), is attached as **Appendix 4**. These values are established and will be confirmed by the Assessor of the City of St. Louis.

7. Estimated Equalized Assessed Value After Redevelopment

The total estimated Equalized Assessed Value of all taxable property in the Redevelopment Area which is to be subjected to PILOTS and EATS pursuant to Section 99.845 Mo. Rev. Stat. (2000) after redevelopment and completion of the Project is approximately $5,909,032 (2005). See **Appendix 5**.

8. Acquisition

The anticipated Developer or a related entity to the anticipated Developer is currently the owner of record of all parcels within the Redevelopment Area necessary for the Redevelopment Project or has executed contracts to purchase all such parcels. This Redevelopment Plan does not anticipate the need to acquire additional property for completion of the Redevelopment Project.

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

10. Conforms 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) and the "Economic Development Strategy" (1978).

11. Plan for Relocation Assistance

As the Redevelopment Area is currently vacant, relocation of residents or businesses is not anticipated to be necessary within the Redevelopment Area with respect to the Redevelopment Project. To the extent relocation becomes necessary, this Redevelopment Plan adopts the City 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 is on file with the St. Louis Development Corporation, 1015 Locust Street, Suite 1200, St. Louis, MO 63101.

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.

13. Does 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 designated TIF redevelopment area. 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 costs.

The estimated Redevelopment Project Costs to be incurred in connection with the TIF Project are approximately $53.5 million and are 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 Project Costs will come from the TIF revenues, which, in accordance with the TIF Act, may include but are not limited to:

- Costs 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 real or personal property 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 obligation issued under the provisions of this

Redevelopment Plan accruing during the estimated period of construction of any Redevelopment Projet 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 shown on **Appendix 2** represent the total approximate costs of the project regardless of the source of funding. This table does not include all 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 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 Funding 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:

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

The anticipated type and term of the sources of funds are set forth in **Appendix 2**. It is not the intent of **Appendix 2** or this Redevelopment Plan to restrict the City or the Developer to the sources or source amounts as outlined. During the life of the Redevelopment Agreement, Plan, and Project, other sources may be found or adjustments may be made within or in addition to the sources specified in **Appendix 2**.

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 up to Six Million One Hundred Thousand Dollars and no/100 ($ 6,100,000.00) plus issuance costs to fund a portion of the Redevelopment Project Costs associated with completion of the Redevelopment Project, with a term of retirement for all such issues not more than 23 years. The TIF Notes or other financial obligations will be issued only to finance the Redevelopment Project and Redevelopment Project Costs as outlined in **Appendix 2** which are eligible costs as specified in Section 99.805(11) of the TIF Act, including any costs of issuing the TIF Notes or other financial obligations.

The Notes may be issued in one or more series and may include notes, temporary notes or other financial obligations to be redeemed by TIF Notes upon completion of the Redevelopment Project. In addition, these Notes or other financial obligations may be privately placed. It is the City's intent to pay for the principal and interest on these Notes or other financial obligations, in any year, solely with money legally available for such purpose within the City's Special Allocation Fund.

The City's Special Allocation Fund will contain at least two accounts as provided for and in accordance with the TIF Act:

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 contemplated by this Redevelopment Plan and in accordance with the TIF Act; 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, excluding licenses, fees or special assessments, and excluding personal property taxes and payments to the PILOTS Account, in accordance with the TIF Act.

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.

4. Evidence of Commitment to Finance Redevelopment Project Costs

**Appendix 7** contains a preliminary commitment letter provided by Gershman Mortgage, which has made a preliminary review of the development proposal and has expressed a commitment to provide financing of Redevelopment Project Costs associated with the Redevelopment Project.

**Appendix 1**
**Warehouse of Fixtures TIF Redevelopment Plan**
**Legal Description And Map Of The Redevelopment Area**

**Parcel #1:**
The Western thirty-six feet of Lot Thirty (30) of Forest Park Boulevard Subdivision of Henry Kortjohn and in Block 3919E, of the City of St. Louis, having a front of thirty-six feet on the South line of Laclede Avenue by a depth Southwardly of one hundred eighty-two feet to an alley.

**Parcel #2:**
The Eastern 14 feet of Lot 30 and the Western 10 feet 9 inches of Lot 31 of Forest Park Boulevard Subdivision and in Block 3919-E of the City of St. Louis fronting 24 feet 9 inches on the South line of Laclede Avenue, by a depth Southwardly of 182 feet to an alley, and being the Eastern 25 feet 3 inches of the West 36 feet of Lot 31 of Forest Park Boulevard Subdivision in said Block.

**Parcel #3:**
A Lot in block 3919-East of the City of St. Louis, fronting 25 feet 3 inches on the South line of Laclede Avenue, by a depth Southwardly of 182 feet to an alley, and being the Eastern 25 feet 3 inches of the West 36 feet of Lot 31 of Forest Park Boulevard Subdivision in said Block.

**Parcel #4:**
Lot 32 and the Eastern 14 feet of Lot 31 of Forest Park Boulevard Subdivision; and a tract of ground 300 feet wide, adjoining said Lot 32 on the East all being in Block 3919-E of the City of St. Louis, Missouri, having an aggregate front of 360 feet on the South line of Laclede Avenue by a depth Southwardly of 182 feet to an alley; bonded East by a line parallel with and distance 124 feet 5 inches West of the West line of Spring Avenue.

**Parcel #5:**
A parcel of property in Block 3919-E of the City of St. Louis fronting 16 feet 8-1/2 inches on the West line of Spring Avenue, by a depth Westwardly between parallel lines of 124 feet 6-3/8 inches, more or less, to the East line of property now or formerly of Grand Leader Realty Co., bounded on the South by the North line of an alley 20 feet wide and on the North by a line distant 165 feet 3-1/2 inches South of the South line of Laclede Avenue, said North line passing partly through a partition wall between buildings numbered 17 and 19 south Spring Avenue; the Western 12 feet 2-1/2 inches of said parcel of property being reserved for a private alley.

**Parcel #6:**
A Lot in Block 3919 E of the City of St. Louis, fronting 15 feet 11 inches on the West line of Spring Avenue, by a depth Westwardly

between parallel lines of 124 feet 6-1/4 inches, more or less, bounded North by a line distant 149 feet 4-1/2 inches South of Laclede Avenue.

**Parcel #7:**
A Lot in Block 3919-E of the City of St. Louis, fronting 15 feet 10-3/4 inches on the West line of Spring Avenue, by a depth Westwardly between parallel lines of 124 feet 6-1/8 inches on the North line to the East line of property now or formerly of Wright; bounded North by a line through the partition wall between houses No. 13 and No. 15 South Spring Avenue, said line being 133 feet 5-3/4 inches South of and parallel with the South line of Laclede Avenue and bounded South by a line through the partition wall between houses No. 15 and No. 17 South Spring Avenue, said line being 149 feet 4-1/2 inches South of and parallel with the South line of Laclede Avenue.

**Parcel #8:**
A Lot of ground in the Northeast part of Block 3919-E of the City of St. Louis fronting 18 feet 1-1/2 inches on the South line of Laclede Avenue by a depth Southwardly between parallel lines of 100.00 feet bounded on the East by a line distant 88 feet West of and parallel to the West line of Spring Avenue; the East line of said property being through a partition wall between houses Nos. 3706 and No. 37-8 Laclede Avenue and the West line being through a partition wall between 3708 and 3710 Laclede Avenue, according to Survey 3, 1924.

**Parcel #9:**
A Lot in Block 3918-E of the City of St. Louis fronting 17 feet 11-1/2 inches on the South line of Laclede Avenue, by a depth Southwardly between parallel lines of 100 feet bounded East by a line distant 70 feet ½ inch West of and parallel with the West line of Spring Avenue, the East line being through a partition wall between houses numbered 3704-3706 Laclede Avenue, and the West line being through a partition wall between houses numbered 3706 and 3708 Laclede Avenue.

**Parcel #10:**
A Lot in Block 3919-E of the City of St. Louis fronting 78.03 feet on the North line of Forest Park Avenue by a depth Northwardly between parallel lines of 182.65 feet on the East line and of 182.64 feet on the West line to the South line of an alley; bounded East by a line 130.01 feet West of and parallel with the West line of Spring Avenue, according to Survey executed by Pitzman's Company of Surveyors & Engineers on November 8th, 9th, and 12th 1946.

**Parcel #11:**
City Block 3919E Forest Park, 216 feet 2 ½ inches x 182 feet 8 inches, Cabannes addn bounded East 208 feet 0 ½ inches West of Spring Avenue. Referred to by the City of St. Louis Assessor's Office as parcel 39190303100.

**Parcel #12**

City Block 3919E Forest Park, 130 feet 0 1/8 inches x 182 feet 8 inches, Cabannes addn bounded East Spring Avenue. Referred to by the City of St. Louis Assessor's Office as parcel 39190302900.

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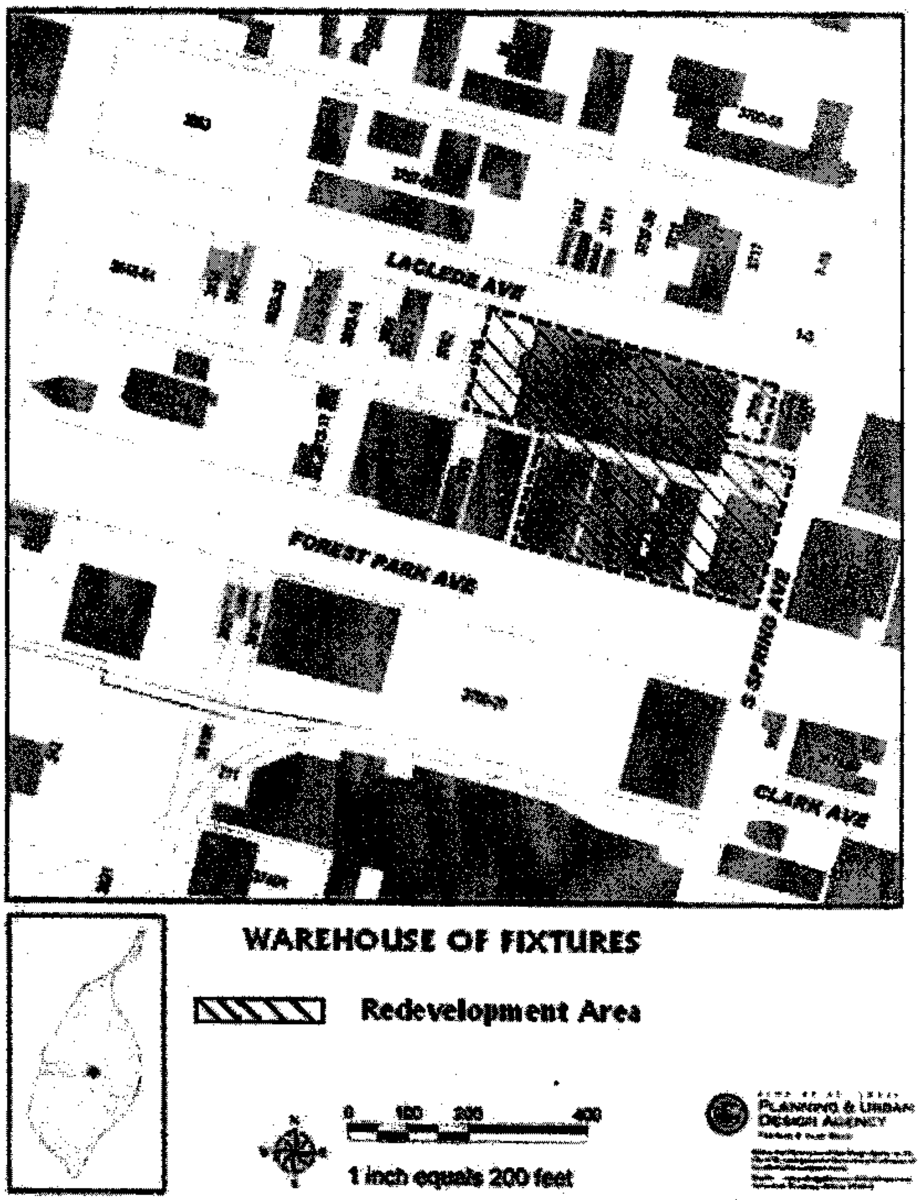
LACLEDE AVE
FOREST PARK AVE
S SPRING AVE
CLARK AVE
WAREHOUSE OF FIXTURES
Redevelopment Area
0 100 200 400
1 inch equals 200 feet
PLANNING & URBAN DESIGN AGENCY

**Appendix 2**
**Warehouse of Fixtures TIF Redevelopment Plan**
**Sources and Uses of Funds**

| | | |
|---|---|---|
| **USES** | | |
| Acquisition | $ | 6,970,000 |
| Professional Fees and Soft Costs | | |
| Architectural | $ | 1,130,000 |
| Environmental/Engineering | $ | 110,000 |
| Property Survey | $ | 30,000 |
| Property Appraisal | $ | 26,000 |
| Legal Fees | $ | 225,000 |
| Developer Fee | $ | 7,7540,200 |
| Construction Management Fee | $ | 1,650,000 |
| Miscellaneous Fees | $ | 135,000 |
| Interim/Financing Costs | | |
| Construction Period Insurance | $ | 460,000 |
| Construction Period Interest | $ | 2,100,000 |
| Construction Period Taxes | $ | 275,000 |
| Title, Loan & Disbursing | $ | 785,000 |
| Utilities | $ | 140,000 |
| Marketing Costs | | |
| Advertising and Promotions | $ | 130,000 |
| Sales Literature | $ | 70,000 |
| Commission | $ | 110,000 |
| Signage | $ | 75,000 |
| Display Costs - Furnishings | $ | 80,000 |
| Management | $ | 95,000 |
| Miscellaneous | $ | 75,000 |
| Construction Costs | $ | 29,370,000 |
| Contingency | $ | 1,700,000 |
| **TOTAL USES** | **$** | **53,495,200** |

| **SOURCES** | | |
|---|---|---|
| State Historic Tax Credits | $ | 8,559,537 |
| Federal Historic Tax Credits | $ | 7,672,645 |
| TIF | $ | 6,100,000 |
| Owner Equity | $ | 5,859,772 |
| Construction Loan | $ | 25,303,246 |
| **TOTAL SOURCES** | $ | **53,495,200** |

**Appendix 3**
**Warehouse of Fixtures TIF Redevelopment Plan**
**Redevelopment Program Schedule**

**First TIF Commission Meeting** **4/28/04**

**Mailing of Notice of TIF Commission Public Hearing to Taxing Districts**
(not less than 45 days prior to hearing) (RSMo. §99.830.3) **4/30/04**

**Submit Redevelopment Plan to TIF Commission**
(at least 45 days prior to public hearing) **4/30/04**

**First Publication of Notice of TIF Commission Public Hearing**
(not more than 30 days prior to hearing) (RSMo. §99.830.1) **5/31/04**

**Written Notice to Property Owners**
(not less than 10 days prior to public hearing) (RSMo. §99.830.3) **6/6/04**

**Second Publication of Notice of TIF Commission Public Hearing**
(not more than 10 days prior to public hearing) (RSMo. §99.830.1) **6/6/04**

**Public Hearing by TIF Commission**
(RSMO. §99.825) **6/16/04**

**TIF Commission Recommendation to Board of Alderman**
(within 90 days of TIF Public Hearing) (RSMo. §99.820.3) **6/23/04**

**TIF Ordinances Introduced adopting plan, approving project, establishing district, establishing special allocation fund, approving agreement and authorizing issuance of TIF Notes**
(no sooner than 14 and not more than 90 days after hearing) (RSMo. §99.820.1(1) **7/9/04**

**HUDZ Committee Hearing on TIF Ordinances** **7/14/04**

**Second Reading of TIF Ordinances** **7/16/04**

**Perfection of Board Bill(s)** **7/23/04**

**Third Reading and Final Passage of TIF Ordinances** **7/23/04**

**Mayor Signs Bills** **8/3/04**

**Acquisition of Property Complete** **9/2004**

**Construction Commences** **10/2004**

**Construction Complete** **9/2006**

**Appendix 4**
**Warehouse of Fixtures TIF Redevelopment Plan**
**Equalized Assessed Value of Redevelopment Area**

| Street Address | Tax ID | Equalized Assessed Value (2004) |
|---|---|---|
| 3754 Laclede | 39190301400 | $6,600.00 |
| 3752 Laclede | 39190301500 | $4,600.00 |
| 3750 Laclede | 39190301600 | $4,600.00 |
| 3712-3720 Laclede | 39190301750 | $251,300.00 |
| 3708 Laclede | 39190301900 | $2,400.00 |
| 3706 Laclede | 39190302000 | $2,400.00 |
| 19 South Spring | 39190302800 | $2,700.00 |
| 17 South Spring | 39190302700 | $2,400.00 |
| 15 South Spring | 39190302600 | $2,600.00 |
| 3711 Forest Park | 39190303000 | $33,800.00 |
| 3723 Forest Park | 39190303100 | $127,700.00 |
| 3701 Forest Park | 39190302900 | $124,200.00 |

**Appendix 5**
**Warehouse of Fixtures TIF Redevelopment Plan**
**Projected TIF Revenues**

| Year | Assessed Value | Real Estate Taxes | PILOT | Utility Costs | Utility Tax | Utility Tax Increment | Total Retail Sales | Local Sales Tax | Sales Tax Increment | Restaurant Gross Receipts | Restaurant Gross Receipts Tax | Restaurant Gross Receipts Tax Increment | Payroll | City Earnings and Payroll Tax | Earnings and Payroll Tax Increment | Total Tax Increments |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base | $565,300 | $39,890 | | $75,000 | $7,500 | | $0 | $0 | | $0 | $0 | | $50,000 | $750 | | |
| 2004 | $565,300 | $39,890 | $0 | $75,000 | $7,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $50,000 | $750 | $0 | $0 |
| 2005 | $5,909,032 | $416,971 | $377,080 | $334,007 | $25,733 | $9,116 | $4,500,000 | $106,875 | $53,438 | $2,000,000 | $30,000 | $14,625 | $4,586,226 | $68,793 | $34,022 | $488,281 |
| 2006 | $5,909,032 | $416,971 | $377,080 | $350,707 | $27,019 | $9,760 | $4,725,000 | $112,219 | $56,109 | $2,100,000 | $31,500 | $15,375 | $4,723,813 | $70,857 | $35,054 | $493,378 |
| 2007 | $6,204,484 | $437,819 | $397,929 | $368,242 | $28,370 | $10,435 | $4,961,250 | $117,830 | $58,915 | $2,205,000 | $33,075 | $16,163 | $4,865,527 | $72,983 | $36,116 | $519,558 |
| 2008 | $6,204,484 | $437,819 | $397,929 | $386,655 | $29,789 | $11,144 | $5,209,313 | $123,721 | $61,861 | $2,315,250 | $34,729 | $16,989 | $5,011,493 | $75,172 | $37,211 | $525,135 |
| 2009 | $6,514,708 | $459,710 | $419,820 | $405,987 | $31,278 | $11,889 | $5,469,778 | $129,907 | $64,954 | $2,431,013 | $36,465 | $17,858 | $5,161,838 | $77,428 | $38,339 | $552,859 |
| 2010 | $6,514,708 | $459,710 | $419,820 | $426,287 | $32,842 | $12,671 | $5,743,267 | $136,403 | $68,201 | $2,552,563 | $38,288 | $18,769 | $5,316,693 | $79,750 | $39,500 | $558,962 |
| 2011 | $6,840,443 | $482,696 | $442,805 | $447,601 | $34,484 | $13,492 | $6,030,430 | $143,223 | $71,611 | $2,680,191 | $40,203 | $19,726 | $5,476,194 | $82,143 | $40,696 | $588,332 |
| 2012 | $6,840,443 | $482,696 | $442,805 | $469,981 | $36,208 | $14,354 | $6,331,952 | $150,384 | $75,192 | $2,814,201 | $42,213 | $20,732 | $5,640,479 | $84,607 | $41,929 | $595,012 |
| 2013 | $7,182,465 | $506,831 | $466,940 | $493,480 | $38,019 | $15,259 | $6,648,549 | $157,903 | $78,952 | $2,954,911 | $44,324 | $21,787 | $5,809,694 | $87,145 | $43,198 | $626,136 |
| 2014 | $7,182,465 | $506,831 | $466,940 | $518,154 | $39,920 | $16,210 | $6,980,977 | $165,798 | $82,899 | $3,102,656 | $46,540 | $22,895 | $5,983,985 | $89,760 | $44,505 | $633,449 |
| 2015 | $7,541,589 | $532,172 | $492,282 | $544,062 | $41,916 | $17,208 | $7,330,026 | $174,088 | $87,044 | $3,257,789 | $48,867 | $24,058 | $6,163,504 | $92,453 | $45,851 | $666,443 |
| 2016 | $7,541,589 | $532,172 | $492,282 | $571,265 | $44,012 | $18,256 | $7,696,527 | $182,793 | $91,396 | $3,420,679 | $51,310 | $25,280 | $6,348,409 | $95,226 | $47,238 | $674,452 |
| 2017 | $7,918,668 | $558,781 | $518,890 | $599,828 | $46,212 | $19,356 | $8,081,353 | $191,932 | $95,966 | $3,591,713 | $53,876 | $26,563 | $6,538,862 | $98,083 | $48,666 | $709,442 |
| 2018 | $7,918,668 | $558,781 | $518,890 | $629,820 | $48,523 | $20,511 | $8,485,421 | $201,529 | $100,764 | $3,771,298 | $56,569 | $27,910 | $6,735,027 | $101,025 | $50,138 | $718,214 |
| 2019 | $8,314,601 | $586,720 | $546,829 | $661,311 | $50,949 | $21,724 | $8,909,692 | $211,605 | $105,803 | $3,959,863 | $59,398 | $29,324 | $6,937,078 | $104,056 | $51,653 | $755,334 |
| 2020 | $8,314,601 | $586,720 | $546,829 | $694,376 | $53,496 | $22,998 | $9,355,177 | $222,185 | $111,093 | $4,157,856 | $62,368 | $30,809 | $7,145,191 | $107,178 | $53,214 | $764,943 |
| 2021 | $8,730,331 | $616,056 | $576,165 | $729,095 | $56,171 | $24,336 | $9,822,936 | $233,295 | $116,647 | $4,365,749 | $65,486 | $32,368 | $7,359,546 | $110,393 | $54,822 | $804,338 |
| 2022 | $8,730,331 | $616,056 | $576,165 | $765,550 | $58,980 | $25,740 | $10,314,082 | $244,959 | $122,480 | $4,584,037 | $68,761 | $34,005 | $7,580,333 | $113,705 | $56,477 | $814,868 |
| 2023 | $9,166,848 | $646,859 | $606,968 | $803,827 | $61,929 | $27,214 | $10,829,787 | $257,207 | $128,604 | $4,813,238 | $72,199 | $35,724 | $7,807,743 | $117,116 | $58,183 | $856,694 |
| 2024 | $9,166,848 | $646,859 | $606,968 | $844,019 | $65,025 | $28,763 | $11,371,276 | $270,068 | $135,034 | $5,053,900 | $75,809 | $37,529 | $8,041,975 | $120,630 | $59,940 | $868,234 |
| 2025 | $9,625,190 | $679,202 | $639,311 | $886,219 | $68,276 | $30,388 | $11,939,840 | $283,571 | $141,786 | $5,306,595 | $79,599 | $39,424 | $8,283,234 | $124,249 | $61,749 | $912,659 |
| 2026 | $9,625,190 | $679,202 | $639,311 | $930,530 | $71,690 | $32,095 | $12,536,832 | $297,750 | $148,875 | $5,571,925 | $83,579 | $20,707 | $8,697,396 | $130,461 | $32,428 | $873,416 |
| Totals | $168,462,019 | $11,887,522 | $10,970,043 | $12,861,003 | $998,342 | $412,921 | $173,273,465 | $4,115,245 | $2,057,622 | $77,010,429 | $1,155,156 | $548,621 | $140,264,240 | $2,103,964 | $1,010,929 | $15,000,137 |

1. Base (2004) Assessed Value provided by City Assessor's Office; 2005 Assessed Value and Real Estate Taxes based on Net Operating Income divided by capitalization rate of 9% plus 1.4% (residential) and 2 % (commercial), respectively, multiplied by tax rate of $7.0565 per $100 of assessed value (excludes Blind Pension levy per TIF Act).

2. Base (2004) Utility Costs based on information available; 2005 Utility Costs based on estimated $100 per month per residential unit and $1.50/ft. of commercial space; 2005 Utility Taxes based on Utility Costs multiplied by 7% for residential units and 10 % for commercial space.

3. In addition to increases directly attributable to completion of the Redevelopment Project, Assessed Values and Utility Costs increase by 5 % per reassessment period.

4. 2005 Total Retail Sales and Restaurant Gross Receipts based on estimated sales and restaurant receipts. 2005 Local Sales Tax and Restaurant Gross Receipts Tax based on Total Retail Sales and Restaurant Gross Receipts multiplied by 2.375% and 1.5%, respectively.

5. 2005 Payroll based on 3 employees, with an annual salary of $20,000 each, per 1000 square feet of restaurant space and 3.5 employees, with an annual salary of $30,000 each, per 1000 square feet of office space. Payroll and Earnings Tax equals Payroll estimates multiplied by 1.5%.

**Appendix 6**
**Warehouse of Fixtures TIF Redevelopment Plan**
**Developer's Affidavit**

STATE OF MISSOURI )
)
CITY OF ST. LOUIS )

AFFIDAVIT

I, the undersigned, am over the age of 18 years and have personal knowledge of matters stated herein.

The undersigned swears, affirms and certifies the following to be true to induce the approval of Tax Increment Financing for the Redevelopment Area described in the Warehouse of Fixtures Tax Increment Financing Redevelopment Plan, dated April 2004 (the "Redevelopment Plan").

1. I am a duly authorized representative of University Village Apartments, L.P., (the "Developer") and am authorized by the Developer to attest to the matters set forth herein.

2. I am familiar with the Redevelopment Area described in the Redevelopment Plan. In my opinion, based on the factors set forth in the Redevelopment Plan, the Redevelopment Area, on the whole, qualifies as a "blighted area" as defined in Section 99.805(3) of the Missouri Revised Statutes (2000), 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.

And Further Affiant Sayeth Not.

UNIVERSITY VILLAGE APARTMENTS, L.P.

By: ___________________________________________
Name: ________________________________________

Subscribe and sworn to before me this ___ day of _____________, 2004.

_______________________________________________
Notary Public

My Commission Expires: ___________________________

**Appendix 7**
**Warehouse of Fixtures TIF Redevelopment Plan**
**Evidence of Commitment to Finance Project Costs**

is on file in the Register's Office.

**Approved: August 2, 2004**