

ORDINANCE #67936
Board Bill No. 440

An ordinance amending St. Louis City Ordinance No. 65118 authorizing and directing the amendment and re-issuance and re-delivery of not to exceed \$3,600,000.00 aggregate principal amount of Tax Increment Revenue Notes (Chouteau/Compton Redevelopment Area) of the City of St. Louis, Missouri, for the purpose of financing certain projects; prescribing the form and details of said Notes.

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

WHEREAS, Chouteau Compton L.L.C. (the "Developer"), is a Missouri limited liability company; and

WHEREAS, the Tax Increment Financing Commission of the City of St. Louis, Missouri (the "TIF Commission") was created by the City pursuant to Ordinance No. 62477 adopted on December 20, 1991, and said TIF Commission conducted a public hearing on July 29, 1998, and by motion, recommended approval of the Redevelopment Plan for the Chouteau/Compton Redevelopment Area, dated September 3, 1998 (the "Redevelopment Plan"), and the redevelopment project therein described (the "Redevelopment Project"); and

WHEREAS, on December 17, 1998, the Mayor approved Ordinance No. 64522 (the "Approving Ordinance") approving the Redevelopment Plan and the Redevelopment Project pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the "Act"); and

WHEREAS, pursuant to the Approving Ordinance, the City designated that area legally described in the Redevelopment Plan as a "redevelopment area" as defined in Section 99.805(10) of the Act (the "Redevelopment Area"); and

WHEREAS, the City has a responsibility to provide for the general health, safety and welfare for the Redevelopment Area; and

WHEREAS, the City and the Developer desire to cooperate and to take the reasonable steps necessary to facilitate the prompt design, commencement and completion of certain improvements to the Redevelopment Area including certain infrastructure improvements within the Redevelopment Area; and

WHEREAS, pursuant to Ordinance No. 64602 approved by the Mayor on February 23, 1999 (the "Redevelopment Agreement Ordinance"), the City authorized the execution of a redevelopment agreement between the City and the Developer, setting forth the respective rights and obligations of the City and Developer with regard to the redevelopment of the Redevelopment Area (the "Redevelopment Agreement"); and

WHEREAS, the City has authorized the issuance of its Tax Increment Revenue Notes in an (the "TIF Notes"), pursuant to the Act, in the original aggregate principal amount not to exceed \$3,600,000.00 to finance certain costs associated with the Redevelopment Project; and

WHEREAS, pursuant to Ordinance No. 64603, approved by the Mayor on February 23, 1999 (the "TIF Note Ordinance"), the City approved the issuance and prescribed the form of the TIF Notes; and

WHEREAS, in order to facilitate completion of the Redevelopment Project, the Developer has amended the Redevelopment Agreement to provide for the sale of individual parcels within the Redevelopment Area (each, a "Phase"), in accordance with the Redevelopment Plan and subject to the terms and conditions of the Redevelopment Agreement, as amended; and

WHEREAS, on December 28, 2000, the Mayor approved Ordinance No. 65117, amending Ordinance No. 64602 to provide for the phased development of the Redevelopment Project through the sale of Phases of the Redevelopment Project, and for the execution and delivery of the First Amendment to Redevelopment Agreement; and

WHEREAS, on _____, 2008, the Mayor approved Ordinance No. _____, amending Ordinances 64602 and 65117, authorizing the execution of a Second Amendment to Redevelopment Agreement between the City and the Developer, as amended by the First Amendment to Redevelopment Agreement, providing for a new Completion Deadline and providing for the issuance of the Retention TIF Notes; and

WHEREAS, on December 28, 2000, the Mayor approved Ordinance No. 65118, amending Ordinance No. 64603 and modifying the form of the TIF Notes (the "Amended TIF Note Ordinance"); and

WHEREAS, pursuant to the Amended TIF Note Ordinance, the TIF Notes were authorized for issuance in two series: one or more Taxable Tax Increment Revenue Notes in an aggregate principal amount not to exceed \$3,600,000 less the aggregate principal amount of the hereinafter described Tax - Exempt Tax Increment Revenue Note (the "Taxable TIF Note(s)"); and a Tax - Exempt Tax Increment Revenue Note in an aggregate principal amount not to exceed \$700,000 (the "Tax - Exempt TIF Note"); and

WHEREAS, all TIF Notes other than TIF Notes in the aggregate principal amount of \$360,000 (the "TIF Retention Notes"), representing the ten percent (10%) retention allocable to the Redevelopment Project, have been issued to the Developer, to one or more members of the Developer and/or to one or more affiliates of said members or of the Developer (individually or together, as the case may be, the "Original Purchaser), at a price equal to 100% of their respective face values; and

WHEREAS, all of the present holders of the TIF Notes desire to modify certain terms of the TIF Notes (which modifications shall apply also to the Retention TIF Notes) to amend provisions relating to payments of "Deficiencies" as defined in the TIF Notes, and to allocate revenues derived from specific parcels within the Redevelopment Area to priority payment of specific classes of TIF Notes; and

WHEREAS, Developer desires to amend the Amended TIF Note Ordinance to provide for the foregoing modification; and

WHEREAS, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants that the TIF Notes be amended and re-issued to the holders thereof and secured in the form and manner as hereinafter provided to provide funds for such purpose;

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

Section One. Re-Statement of Amended TIF Note Ordinance. Except as expressly modified pursuant to this Ordinance, all of the terms and conditions of the Amended TIF Note Ordinance are hereby incorporated by reference into this Ordinance.

Section Two. Amendment of Section 203 of Ordinance 65118. Section 203 of Ordinance 65118 is hereby repealed and the following Section 203 is hereby inserted:

Section 203. Description of TIF Notes. The Taxable TIF Note(s) shall be amended and re-issued substantially in the form set forth in Section 301(a) hereof. The Tax - Exempt TIF Note(s) shall be amended and re-issued to the holders thereof substantially in the forms set forth in Section 301(b). (the "Lot 2 Owner Note") and Section 301(c) hereof (Albert Mendelson Revocable Trust dated July 1, 1980, its successors and assigns, as amended), respectively. The TIF Retention Notes shall be issued in the forms set forth in Section 301(a) (Taxable TIF Retention Note) and Section 301(b) (Tax-Exempt TIF Retention Note), respectively.

Section Three. Form of TIF Notes. Section 301 of Ordinance 65118 is hereby repealed and the following Section 301 is hereby inserted:

Section 301. Form of TIF Notes.

(a) Form of Taxable TIF Note(s), as re-issued upon transfer, exchange or substitution, shall be in substantially the following form:

EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN, THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO ANY ACCREDITED INVESTOR OR QUALIFIED INSTITUTIONAL INVESTOR, AS SUCH TERMS ARE COMMONLY DEFINED FROM TIME TO TIME BY APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND REGULATIONS.

**CITY OF ST. LOUIS, MISSOURI,
TAXABLE TAX INCREMENT REVENUE NOTE**

**(CHOUTEAU/COMPTON REDEVELOPMENT AREA)
SERIES A**

THE CITY OF ST. LOUIS, MISSOURI ("City"), on this ____ day of April, 2001, for value received promises to pay to the _____, its successors and assigns (collectively, the "Owner") the principal sum set forth from time to time by endorsement of the Office of the Comptroller of the City on Exhibit A attached hereto, together with interest compounded annually at the rate of nine percent (9%) per annum on the outstanding balance hereof, calculated on the basis of a 365-day year and actual days elapsed from the date hereof to the earlier of: (i) the date of repayment, or (ii) December 17, 2021 (the "Maturity Date"). The schedule of endorsements attached hereto as Exhibit A shall evidence sums paid to the City by the Owner.

As used in this Note, the term "Original Purchaser" shall mean Chouteau Compton, LLC, a Missouri limited liability company (the "Developer") or any one or more members of the Developer and/or one or more affiliates of said members or of the Developer, all as may be identified in this and in any other TIF Notes. As used in this Note, the term "Phase Developer TIF Note Purchaser" means any developer of a Phase of the Chouteau/Compton Redevelopment Area (a "Phase Developer") or any one or more members, partners or shareholders of any Phase Developer and/or one or more affiliates of said members, partners or shareholders or of such Phase Developer, all as may be identified in this and in any other TIF Notes.

All payments of principal and interest by the City shall be from the Net Proceeds (as hereinafter defined) on deposit in the Special Allocation Fund created by Ordinance No. 64603 passed and approved by the Mayor on February 23, 1999, as amended and restated by Ordinance No. 65118, passed and approved by the Mayor on December 28, 2000, as amended by Ordinance No. _____ passed and approved by the Mayor on _____, 2008 (the "TIF Note Ordinance").

This Note shall be payable solely from the aforesaid Net Proceeds and from no other revenue or property of the City, it being understood that this instrument is a special limited obligation of the City and is payable solely from incremental tax revenues which the City is entitled to receive under sections 99.800 through 99.865 of the Missouri Revised Statutes, as amended (the "Act"), deposited from time to time in the Special Allocation Fund of the City as set forth below and is not a general obligation of the City, the State of Missouri, or any political subdivision thereof, nor of any officer or employee thereof, and it being further understood that this Note is issued in connection with a certain redevelopment plan entitled "Redevelopment Plan for the Chouteau/Compton Redevelopment Area", dated September 3, 1998, and as from time to time further amended (the "Redevelopment Plan"), as approved in Ordinance No. 64522, passed and approved by the Mayor on December 17, 1998 (the "Approving Ordinance"). References to the Redevelopment Plan shall include all phases and aspects of the proposed development as may be described in the Redevelopment Area or the Redevelopment Project, both of which are described in the Redevelopment Plan, or as may be described in the related Redevelopment Agreement as approved in Ordinance No. 64602, passed and approved by the Mayor on February 23, 1999, as amended by Ordinance No. 65117, passed and approved by the Mayor on December 28, 2000, as amended by Ordinance No. _____, passed and approved by the Mayor on _____, 2008.

The Net Proceeds on deposit in the Special Allocation Fund are those payments in lieu of taxes (as that term is defined in section 99.805(7) of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the Redevelopment Area over and above the certified total initial equalized assessed value (as that term is used and described in sections 99.845.1 and 99.855 of the Act) of each such unit of property in the Redevelopment Area and as paid to the Treasurer by the St. Louis City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project; and, subject to annual appropriation, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in section 99.805(12) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year 1998 and paid into the Special Allocation Fund, but excluding therefrom any taxes now or hereinafter excluded by such section of the Act. Net Proceeds do not include any such amount paid under protest until the protest is withdrawn or resolved against the taxpayer, nor do Net Proceeds include any sum received by the City which is the subject of a suit or other claim communicated to the City, which suit or claim challenges the collection of such sums.

Subject to the terms of the immediately following paragraph, the principal and interest hereof shall be payable in semi-annual installments as set forth in Schedule 1, attached hereto and incorporated herein by reference, or if such day is not a business day, the first business day thereafter (the "Payment Dates") to the earlier of repayment or the Maturity Date of this Note, followed by a final payment, to the extent there are funds then available in the Special Allocation Fund, on the Maturity Date in the amount of the then unpaid principal balance hereof and all accrued and unpaid interest hereon.

Payment of principal and interest hereunder shall be subject to the following further terms and conditions:

(i) The City shall have the right to reimburse itself for administrative expenses incurred by the Office of the Comptroller of the City in connection with the TIF Notes in an aggregate amount equal to two-tenths of one percent (.2%) of the outstanding principal balance of the TIF Notes, not to exceed \$7,200.00 per annum.

(ii) If on any Payment Date the Net Proceeds in the Special Allocation Fund are insufficient to pay scheduled principal and accrued interest then due and owing, the amount of the deficiency (the "Deficiency") shall be carried forward as an amount due and owing hereunder. So long as the amount of any Deficiency is carried as a liability on the City's Special Allocation Fund's financial records, the existence of such Deficiency shall not be deemed an event of default hereunder and shall not be cause for acceleration of this Note;

(iii) All payments shall be allocated first to any accrued, but unpaid interest, then to principal;

(iv) On the Maturity Date, the City shall pay to the Owner out of Net Proceeds then on deposit in the Special Allocation Fund all sums due to the Owner; provided, however, that whether or not paid in full, this Note shall expire on the Maturity Date and the City shall have no further responsibility, liability, or obligation hereunder.

(v) From and after March 1, 2002, this Note shall be subject to mandatory redemption without premium or penalty of all outstanding principal and accrued interest on any date specified in a written notice of such redemption election from the City to the Owner.

(vi) On or before March 1, 2002, this Note shall be subject to mandatory redemption without premium or penalty of all outstanding principal and accrued interest on any date specified in a written notice of such redemption election from the City to the Owner; provided, however, that such notice shall only be effective, if, at the time of delivery of the notice, the Original Purchaser (a) shall be the Owner of at least one TIF Note and (b) shall consent in writing to such full prepayment of all TIF Notes.

Subject to the foregoing, payments shall be applied first to accrued interest on the TIF Note, and then, if there are additional funds available in the Special Allocation Fund on any Payment Date or on the Maturity Date, to the unpaid principal of this Note and all other Notes executed and delivered pursuant to the Redevelopment Agreement, allocated in accordance with the then outstanding principal balances thereof. Any unpaid interest carried forward as part of any Deficiency shall not be added to principal.

The City shall pay all amounts due and owing hereunder to the Owner upon presentation of the TIF Note by a duly authorized representative of the Owner, at the offices of the City.

Reference is made to Ordinance No. 64603 passed and approved by the Mayor on February 23, 1999, as amended and restated by Ordinance No. 65118, passed and approved by the Mayor on December 28, 2000, as amended by Ordinance No. _____, passed and approved by the Mayor on _____, 2008 (the "TIF Note Ordinance") for a description of the covenants and agreements made by the City with respect to payment of Net Proceeds to pay this Note, the nature and extent of the security for this Note, the rights, duties and obligations of the City with respect hereto and, the rights of the holder hereof.

The right to transfer, assign, or negotiate this Note shall be limited to transfer, assignment, or negotiation to any accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, in which case the transfer or assignment shall only be made upon the terms and conditions that the City may, in its sole discretion, require.

Notwithstanding anything else contained herein, but subject to the next succeeding paragraph of this Note, the Original Purchaser shall have the absolute right to transfer the TIF Note or TIF Notes, as appropriate, to any Phase Developer TIF Note Purchaser without the prior consent of the City. Except as provided in the immediately preceding sentence, the TIF Notes are only transferable or assignable to an accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, in which case the transfer or assignment shall only be made upon the terms and conditions that the City may, in its sole discretion, require. In conjunction with the issuance of any TIF Note to a Phase Developer TIF Note Purchaser, the Developer shall determine the Redevelopment Project Costs to be allocated to such Phase.

Notwithstanding anything to the contrary contained herein, prior to the discharge and release of Developer and all Phase Developers from their respective obligations under the Redevelopment Agreement and the full and final payment and discharge of all then outstanding TIF Notes, no owner of any parcel within the Redevelopment Area shall convey to any entity which is exempt

from ad valorem real estate taxation in the State of Missouri, fee simple ownership of such parcel, or any portion thereof, nor shall any such owner change or seek to change its taxpayer status to that of an exempt entity unless such owner or the purchaser or transferee of such Phase (or portion thereof) shall pay or cause to be paid the principal balance of the TIF Note(s) issued or assigned to such owner or its designee, as the case may be (and all other related obligations accruing in respect of such Phase as to which a TIF Note is subject to issuance in accordance with the Redevelopment Agreement), in such amount as may be required by the City.

This Note is a ["Lot 2 Owner Note" / "Other Note"] within the meaning of the Noteholder Consent and Administrative Agreement dated December 20, 2007, attached hereto and incorporated herein, which governs certain accounts, payments and revenue priorities for this Note as set forth therein.

Upon any transfer, exchange or assignment, the transferor shall reimburse all of the reasonable out-of-pocket costs incurred by the Office of the Comptroller of the City in connection with the administration of such transfer, exchange or assignment.

IN WITNESS WHEREOF, the CITY OF ST. LOUIS, MISSOURI, has caused this Note to be executed by the manual or facsimile signature of the Mayor and the Comptroller of the City and attested by the manual or facsimile signature of the Register of the City and its official seal to be affixed or imprinted hereon, and this Note to be dated the date shown above.

CITY OF ST. LOUIS, MISSOURI

By: _____
Mayor

By: _____
Comptroller

ATTEST:

Register

Approved as to form, only

City Counselor

**EXHIBIT A TO CITY OF ST. LOUIS, MISSOURI, TAXABLE TAX INCREMENT REVENUE NOTE
(CHOUTEAU/COMPTON REDEVELOPMENT AREA) SERIES A**

Schedule of Outstanding Principal and Payments on Principal

| Transaction Date | Principal Amount Added to Note | Total Outstanding Principal of Note | Comptroller of City of St. Louis |
|------------------|--------------------------------|-------------------------------------|----------------------------------|
| | | | _____ |
| | | | _____ |
| | | | _____ |

**Schedule 1 to City of St. Louis, Missouri Taxable Tax Increment Revenue Note
(Chouteau/Compton Redevelopment Area) Series A**

Principal payments on this Note shall be calculated as follows: On each Payment Date (as defined in the TIF Note Ordinance) after April 30, 2001 until and including the date upon which the City accepts (in the reasonable exercise of its discretion) a Certificate of Substantial Completion from the Developer (as defined in the TIF Note Ordinance), the City shall pay a portion of the principal of the Note in an amount equal to 1/x of the outstanding principal amount of the Note calculated as of the date that is 30 days prior to such Payment Date, where x is the number of Payment Dates between April 30, 2001 and September 1, 2021. Beginning with the Payment Date that falls immediately after the date upon which the City accepts such Certificate of Substantial

Completion and on each Payment Date thereafter, the City shall pay a portion of the principal amount of the TIF Note according to a schedule prepared by the City that amortizes the outstanding principal amount of the TIF Note as of the date of such Certificate of Substantial Completion in equal semi-annual installments through and including September 1, 2021. The City’s obligation to make any and all payments hereunder is subject to the terms and conditions of the TIF Note and St. Louis City Ordinance Number 64603, dated February 23, 1999, ordinance number 65118, dated December 5, 2000 and ordinance number _____ dated _____, 2008 (collectively, the “TIF Note Ordinance”).

Attachment 1 to City of St. Louis, Missouri Taxable Tax Increment Revenue Note (Chouteau/Compton Redevelopment Area) Series A

[Noteholder Consent and Administrative Agreement dated as of December 20, 2007 to be attached to this Note- SEE EXHIBIT A TO ORDINANCE FOR FORM OF ATTACHMENT]

(b) Form of Tax - Exempt TIF Note, as originally issued upon transfer, exchange or substitution, shall be in substantially the following form:

EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN, THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO ANY ACCREDITED INVESTOR OR QUALIFIED INSTITUTIONAL INVESTOR, AS SUCH TERMS ARE COMMONLY DEFINED FROM TIME TO TIME BY APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND REGULATIONS.

**CITY OF ST. LOUIS, MISSOURI,
TAX-EXEMPT TAX INCREMENT REVENUE NOTE
(CHOUTEAU/COMPTON REDEVELOPMENT AREA)
SERIES B**

THE CITY OF ST. LOUIS, MISSOURI (“City”), on this 30th day of April, 2001, for value received promises to pay to _____, its successors and assigns (collectively the “Owner”) the principal sum set forth from time to time by endorsement of the Office of the Comptroller of the City on Exhibit A attached hereto, together with interest compounded annually at the rate of seven percent (7%) per annum on the outstanding balance hereof, calculated on the basis of a 365-day year and actual days elapsed from the date hereof to the earlier of: (i) the date of repayment, or (ii) December 17, 2021 (the “Maturity Date”). The schedule of endorsements attached hereto as Exhibit A shall evidence sums paid to the City by the Owner.

As used in this Note, the term “Original Purchaser” shall mean Chouteau Compton, LLC, a Missouri limited liability company (the “Developer”) or any one or more members of the Developer and/or one or more affiliates of said members or of the Developer, all as may be identified in this and in any other TIF Notes. As used in this Note, the term “Phase Developer TIF Note Purchaser” means any developer of a Phase of the Chouteau/Compton Redevelopment Area (a “Phase Developer”) or any one or more members, partners or shareholders of any Phase Developer and/or one or more affiliates of said members, partners or shareholders or of such Phase Developer, all as may be identified in this and in any other TIF Notes.

All payments of principal and interest by the City shall be from the Net Proceeds (as hereinafter defined) on deposit in the Special Allocation Fund created by Ordinance No. 64603 passed and approved by the Mayor on February 23, 1999, as amended and restated by Ordinance No. 65118, passed and approved by the Mayor on December 28, 2000, as amended by Ordinance No. _____ passed and approved by the Mayor on _____ 2008 (the “TIF Note Ordinance”).

This Note shall be payable solely from the aforesaid Net Proceeds and from no other revenue or property of the City, it being understood that this instrument is a special limited obligation of the City and is payable solely from incremental tax revenues which the City is entitled to receive under sections 99.800 through 99.865 of the Missouri Revised Statutes, as amended (the “Act”), deposited from time to time in the Special Allocation Fund of the City as set forth below and is not a general obligation of the City, the State of Missouri, or any political subdivision thereof, nor of any officer or employee thereof, and it being further understood that this Note is issued in connection with a certain redevelopment plan entitled “Redevelopment Plan for the Chouteau/Compton Redevelopment Area”, dated September 3, 1998, and as from time to time further amended (the “Redevelopment Plan”), as approved in Ordinance No. 64522, passed and approved by the Mayor on December 4, 1998 (the “Approving Ordinance”). References to the Redevelopment Plan shall include all phases and aspects of the proposed development as may be described in the Redevelopment

Area or the Redevelopment Project, both of which are described in the Redevelopment Plan, or as may be described in the related Redevelopment Agreement as approved in Ordinance No. 64602, passed and approved by the Mayor on February 23, 1999, as amended by Ordinance No. 65117, passed and approved by the Mayor on December 28, 2000, as amended by Ordinance No. _____, passed and approved by the Mayor on _____, 2008.

The Net Proceeds on deposit in the Special Allocation Fund are those payments in lieu of taxes (as that term is defined in section 99.805(7) of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the Redevelopment Area over and above the certified total initial equalized assessed value (as that term is used and described in sections 99.845.1 and 99.855 of the Act) of each such unit of property in the Redevelopment Area and as paid to the Treasurer by the St. Louis City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project; and, subject to annual appropriation, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in section 99.805(12) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year 1998 and paid into the Special Allocation Fund, but excluding therefrom any taxes now or hereinafter excluded by such section of the Act. Net Proceeds do not include any such amount paid under protest until the protest is withdrawn or resolved against the taxpayer, nor do Net Proceeds include any sum received by the City which is the subject of a suit or other claim communicated to the City, which suit or claim challenges the collection of such sums.

Subject to the terms of the immediately following paragraph, the principal and interest hereof shall be payable in semi-annual installments as set forth in Schedule 1, attached hereto and incorporated herein by reference, or if such day is not a business day, the first business day thereafter (the "Payment Dates") to the earlier of repayment or the Maturity Date of this Note, followed by a final payment, to the extent there are funds then available in the Special Allocation Fund, on the Maturity Date in the amount of the then unpaid principal balance hereof and all accrued and unpaid interest hereon.

Payment of principal and interest hereunder shall be subject to the following further terms and conditions:

(i) The City shall have the right to reimburse itself for administrative expenses incurred by the Office of the Comptroller of the City in connection with the TIF Notes in an aggregate amount equal to two-tenths of one percent (.2%) of the outstanding principal balance of the TIF Notes, not to exceed \$7,200.00 per annum.

(ii) If on any Payment Date the Net Proceeds in the Special Allocation Fund are insufficient to pay scheduled principal and accrued interest then due and owing, the amount of the deficiency (the "Deficiency") shall be carried forward as an amount due and owing hereunder. So long as the amount of any Deficiency is carried as a liability on the City's Special Allocation Fund's financial records, the existence of such Deficiency shall not be deemed an event of default hereunder and shall not be cause for acceleration of this Note;

(iii) All payments shall be allocated first to any accrued, but unpaid interest, then to principal;

(iv) On the Maturity Date, the City shall pay to the Owner out of Net Proceeds then on deposit in the Special Allocation Fund all sums due to the Owner; provided, however, that whether or not paid in full, this Note shall expire on the Maturity Date and the City shall have no further responsibility, liability, or obligation hereunder.

(v) From and after March 1, 2002, this Note shall be subject to mandatory redemption without premium or penalty of all outstanding principal and accrued interest on any date specified in a written notice of such redemption election from the City to the Owner.

(vi) On or before March 1, 2002, this Note shall be subject to mandatory redemption without premium or penalty of all outstanding principal and accrued interest on any date specified in a written notice of such redemption election from the City to the Owner; provided, however, that such notice shall only be effective, if, at the time of delivery of the notice, the Original Purchaser (a) shall be the Owner of at least one TIF Note and (b) shall consent in writing to such full prepayment of all TIF Notes.

Subject to the foregoing, payments shall be applied first to accrued interest on the TIF Note, and then, if there are additional funds available in the Special Allocation Fund on any Payment Date or on the Maturity Date, to the unpaid principal of this Note and all other Notes executed and delivered pursuant to the Redevelopment Agreement, allocated in accordance with the then outstanding principal balances thereof. Any unpaid interest carried forward as part of any Deficiency shall not be added to principal.

The City shall pay all amounts due and owing hereunder to the Owner upon presentation of the TIF Note by a duly authorized representative of the Owner, at the offices of the City.

Reference is made to Ordinance No. 64603 passed and approved by the Mayor on February 23, 1999, as amended and restated by Ordinance No. 65118, passed and approved by the Mayor on December 28, 2000, as amended by Ordinance No. _____, passed and approved by the Mayor on _____, 2008 (the "TIF Note Ordinance") for a description of the covenants and agreements made by the City with respect to payment of Net Proceeds to pay this Note, the nature and extent of the security for this Note, the rights, duties and obligations of the City with respect hereto and, the rights of the holder hereof.

The right to transfer, assign, or negotiate this Note shall be limited to transfer, assignment, or negotiation to any accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, in which case the transfer or assignment shall only be made upon the terms and conditions that the City may, in its sole discretion, require.

Notwithstanding anything else contained herein, but subject to the next succeeding paragraph of this Note, the Original Purchaser shall have the absolute right to transfer the TIF Note or TIF Notes, as appropriate, to any Phase Developer TIF Note Purchaser without the prior consent of the City. Except as provided in the immediately preceding sentence, the TIF Notes are only transferable or assignable to an accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, in which case the transfer or assignment shall only be made upon the terms and conditions that the City may, in its sole discretion, require. In conjunction with the issuance of any TIF Note to a Phase Developer TIF Note Purchaser, the Developer shall determine the Redevelopment Project Costs to be allocated to such Phase.

Notwithstanding anything to the contrary contained herein, prior to the discharge and release of Developer and all Phase Developers from their respective obligations under the Redevelopment Agreement and the full and final payment and discharge of all then outstanding TIF Notes, no owner of any parcel within the Redevelopment Area shall convey to any entity which is exempt from ad valorem real estate taxation in the State of Missouri, fee simple ownership of such parcel, or any portion thereof, nor shall any such owner change or seek to change its taxpayer status to that of an exempt entity unless such owner or the purchaser or transferee of such Phase (or portion thereof) shall pay or cause to be paid the principal balance of the TIF Note(s) issued or assigned to such owner or its designee, as the case may be (and all other related obligations accruing in respect of such Phase as to which a TIF Note is subject to issuance in accordance with the Redevelopment Agreement), in such amount as may be required by the City.

This Note is a ["Lot 2 Owner"/"Other Note"] within the meaning of the Noteholder Consent and Administrative Agreement dated December 20, 2007, attached hereto and incorporated herein, which governs certain accounts, payments and revenue priorities for this Note as set forth therein.

Upon any transfer, exchange or assignment, the transferor shall reimburse all of the reasonable out-of-pocket costs incurred by the Office of the Comptroller of the City in connection with the administration of such transfer, exchange or assignment.

IN WITNESS WHEREOF, the CITY OF ST. LOUIS, MISSOURI, has caused this Note to be executed by the manual or facsimile signature of the Mayor and the Comptroller of the City and attested by the manual or facsimile signature of the Register of the City and its official seal to be affixed or imprinted hereon, and this Note to be dated the date shown above.

CITY OF ST. LOUIS, MISSOURI

By: _____
Mayor

By: _____
Comptroller

ATTEST:

Register

This Note is the Note described in the within mentioned Ordinance.

Approved as to form, only

City Counselor

**EXHIBIT A TO CITY OF ST. LOUIS, MISSOURI, TAX-EXEMPT TAX INCREMENT REVENUE NOTE
(CHOUTEAU/COMPTON REDEVELOPMENT AREA) SERIES B**

Schedule of Outstanding Principal and Payments on Principal

| Transaction Date | Principal Amount Added to Note | Total Outstanding Principal of Note | Comptroller of City of St. Louis |
|------------------|--------------------------------|-------------------------------------|----------------------------------|
| | | | _____ |
| | | | _____ |
| | | | _____ |

**Schedule 1 to City of St. Louis, Missouri Tax-Exempt Tax Increment Revenue Note
(Chouteau/Compton Redevelopment Area) Series B**

Principal payments on this Note shall be calculated as follows: On each Payment Date (as defined in the TIF Note Ordinance) after April 30, 2001 until and including the date upon which the City accepts (in the reasonable exercise of its discretion) a Certificate of Substantial Completion from the Developer (as defined in the TIF Note Ordinance), the City shall pay a portion of the principal of the Note in an amount equal to 1/x of the outstanding principal amount of the Note calculated as of the date that is 30 days prior to such Payment Date, where x is the number of Payment Dates between April 30, 2001 and September 1, 2021. Beginning with the Payment Date that falls immediately after the date upon which the City accepts such Certificate of Substantial Completion and on each Payment Date thereafter, the City shall pay a portion of the principal amount of the TIF Note according to a schedule prepared by the City that amortizes the outstanding principal amount of the TIF Note as of the date of such Certificate of Substantial Completion in equal semi-annual installments through and including September 1, 2021. The City’s obligation to make any and all payments hereunder is subject to the terms and conditions of the TIF Note and St. Louis City Ordinance Number 64603, dated February 23, 1999, ordinance number 65118, dated December 5, 2000 and ordinance number _____ dated _____, 2008 (collectively, the “TIF Note Ordinance”).

**Attachment 1 to City of St. Louis, Missouri Tax-Exempt Tax Increment Revenue Note
(Chouteau/Compton Redevelopment Area) Series B**

[Noteholder Consent and Administrative Agreement dated as of December 20, 2007 to be attached to this Note- SEE EXHIBIT A TO ORDINANCE FOR FORM OF ATTACHMENT]

Section Four. Benefits and Burdens of Amended TIF Note Ordinance. Nothing contained in this Second Amended TIF Note Ordinance shall be deemed to abrogate or impair any provision of the Amended TIF Note Ordinance applicable to the TIF Notes, except that the form of the TIF Notes shall be amended and the TIF Notes shall be re-issued to the Owners and holders thereof, all in accordance with the provisions of this Ordinance. All of the obligations, rights and privileges of the Owners and holders of the TIF Notes and of the City under the Amended TIF Note Ordinance shall inure to the Owners and holders of the amended and re-issued TIF Notes, in accordance with the terms of the TIF Notes, as amended pursuant ton this Second Amended TIF Note Ordinance.

Section Five. Execution of Documents. The City is hereby authorized to enter into and the Mayor, the Comptroller, and the Register of the City are hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the TIF Notes and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Second Amended TIF Note Ordinance.

Section Six. Further Authority. The officers of the City, including the Mayor, the Comptroller, the Finance Director and the Register, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Second Amended TIF Note Ordinance and to make

ministerial alterations, changes or additions in the foregoing agreements, statements, instrument and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section Seven. Severability. If any section or other part of this Second Amended TIF Note Ordinance, whether large or small, shall for any reason be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Second Amended TIF Note Ordinance.

Section Eight. Governing Law. This Second Amended TIF Note Ordinance shall be governed exclusively by and construed in accordance with the applicable internal laws of the State of Missouri.

EXHIBIT A
CONSENT AND ADMINISTRATIVE AGREEMENT
[Copy Attached]

67936

EXHIBIT A

NOTEHOLDER CONSENT AND ADMINISTRATIVE AGREEMENT

THIS NOTEHOLDER CONSENT AND ADMINISTRATIVE AGREEMENT is dated as of December 20, 2007 (this "Agreement") by and among CHOUTEAU COMPTON, L.L.C. ("Developer"), PAUL MENDELSON, AS TRUSTEE OF THE ALBERT MENDELSON REVOCABLE TRUST DATED JULY 1, 1980, AS AMENDED ("AMT"), and the CITY OF ST. LOUIS ("Issuer"):

WITNESSETH:

WHEREAS, the Issuer has heretofore issued its \$1,845,000 of currently issued and outstanding Taxable Tax Increment Revenue Notes, Series A (Chouteau/Compton Redevelopment Area) ("Series A Notes") to Developer, and its \$395,000 of currently issued and outstanding Tax-Exempt Tax Increment Revenue Notes, Series B (Chouteau/Compton Redevelopment Area) ("Series B Notes"), pursuant to authority of Ordinance Nos. 64603, as amended by Ordinance No. 65118 to permit phased development of the Project defined therein ("Note Ordinances"); and

WHEREAS, all of the Series A Notes and the Series B Notes (together, the "Notes") were originally purchased by the Developer, and all of the Series B Notes, were sold and transferred by the Developer to AMT, and all Series A Notes are currently owned by Developer, and all Series B Notes are currently owned by AMT. Together Developer and AMT represent 100% of the owners of the outstanding Notes.

WHEREAS, the parties hereto desire to define and clarify their respective rights and obligations regarding payment of the Notes; and

WHEREAS, the Comptroller exercises general oversight and control over the funds and accounts of the Issuer, and the Note Ordinances authorize the Comptroller to administer the Special Allocation Fund ("Fund") as defined in the Note Ordinances and to execute such further documents as may be necessary or desirable to carry out the intent of the Note Ordinances;

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Confirmation of Existing Principal and Accrued Interest.

The parties hereto agree and the Issuer confirms that as of September 1, 2007, after the regularly scheduled payment on said date, the total outstanding principal amount outstanding on the Series A Notes is \$1,845,000 and the total outstanding principal amount outstanding on the Series B Notes is \$395,000, and that no payments on the Notes have been made since September 1, 2007. The projected interest balance as of December 31, 2007 on the Series A Notes is \$944,330.34 and on the Series B notes is \$115,966.09. The parties hereto agree and the Issuer confirms that a true and accurate copy of the Series A Note, together with all schedules and attachments thereto, is attached as Exhibit A to this Agreement, and a true and accurate copy of the Series B Note, together with all schedules and attachments thereto, is attached as Exhibit B to this Agreement.

DATE: January 11, 2008

PAGE: 28 of 31

BOARD BILL # _____

SPONSORING ALDERWOMAN TRIPLETT

67936

Section 2. Prior Payments:

Pursuant to previous instructions of Developer and AMT, the Issuer has heretofore applied 50% of the funds on deposit in the Fund to payment of a portion of the interest due on the Series A Notes, and 50% to a portion of the interest due on the Series B Notes. The parties hereto ratify and confirm these instructions, and accept and agree to all prior payments as made.

Section 3. Future Payments:

Developer and AMT hereby agree that from and after September 2, 2007, the Series A Notes and Series B Notes shall be paid on the following basis:

(a) All Net Proceeds of the Fund derived from taxes or economic activities upon that approximately 10.47 acre parcel at 3101 Chouteau Avenue, more particularly described as Lot 2 of Chouteau-Compton Subdivision No. 3 in Blocks 2235, 2248, 2249 and 2253 of the City of St. Louis, according to the plat thereof recorded in Plat Book 12242003 Page 132 of the Recorder of the City of St. Louis, ("Lot 2 Revenues") shall be placed into a special account of the Fund ("Lot 2 Account"). On each Payment Date and at Maturity Date (as such terms are defined in the Notes), all funds from the Lot 2 Account, after payment of all Issuer expenses, unless sooner paid shall be first applied to any interest then to principal amounts due and payable on the Series A Notes owned by the owner of record of Lot 2 or its designee and any Series B Notes which may hereafter be acquired by said owner of record of Lot 2 ("Lot 2 Owner Notes"), then to any Deficiencies (as defined in the Notes) on the Lot 2 Owner Notes only, then to redeem and prepay any Lot 2 Owner Notes, and after repayment in full of all Lot 2 Owner Notes any remaining Lot 2 Revenues shall be applied to the Other Revenues Account, defined below.

(b) All Net Proceeds of the Fund derived from taxes or economic activities from any property other than Lot 2 within the Redevelopment Area, as defined in the Note Ordinances, ("Other Revenues") shall be placed into a special account of the Fund ("Other Revenues Account"). On each Payment Date and at Maturity Date, all funds in the Other Revenues Account, after payment of all Issuer expenses, shall be first applied to any interest then to principal amounts due and payable on any tax increment revenue notes issued by Issuer pursuant to the Ordinances other than the Lot 2 Owner Notes (the "Other Notes") pro-rata in accordance with their outstanding principal and interest balances, then to any Deficiencies on the Other Notes only, then to redeem and prepay any outstanding Other Notes, and after repayment in full of all Other Notes, any remaining Other Revenues shall be applied in accordance with the Note Ordinances and the Act, defined therein.

(c) This Agreement shall exclusively govern all payments on and allocations between the Lot 2 Owner Notes and the Other Notes, of whatever series, whether now or hereafter issued, of all present and future monies in the Fund, for themselves and any successors in interest, transferees or assigns ("Transferees"), regardless of their status or relation to the "Original Purchaser" as referenced in the Notes, regardless of any prior allocations, prior agreements, or otherwise. The Developer and AMT for themselves and their Transferees hereby waive and disclaim any inconsistent allocation, and promise and agree to surrender and pay over

DATE: January 11, 2008
PAGE: 29 of 31

BOARD BILL # _____

2

SPONSORING ALDERWOMAN TRIPLETT

67936

to each other (or to each other's Transferees, as applicable) any funds received from the Issuer from and after this date which are inconsistent with the allocation set forth herein.

(d) Notwithstanding anything herein to the contrary, no Lot 2 Revenues shall be applied to any Other Notes unless and until all principal and interest on Lot 2 Owner Notes, including but not limited to the existing issued and outstanding \$1,845,000 of Series A Notes, have been repaid in full.

(e) The Comptroller does hereby establish the Lot 2 Account and the Other Revenues Account within the Fund for application of revenues consistent with this Agreement.

Section 5. Costs and Expenses. Developer agrees to pay all costs and expenses in connection with the preparation, negotiation and execution of this Agreement and related documentation including, but not limited to, the legal fees of the parties hereto and any other charges of the Issuer.

Section 6. Miscellaneous. (a) Except as expressly modified hereby, the Notes and any other documents executed in connection with the Notes, are each in all other respects hereby confirmed and ratified as of the date hereof.

(b) This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(c) This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

(d) Copies of this Agreement shall be appended to all Notes.

[Remainder of Page Intentionally Left Blank]

DATE: January 11, 2008

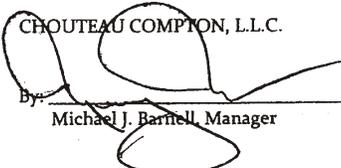
PAGE: 30 of 31
4633514

BOARD BILL # _____

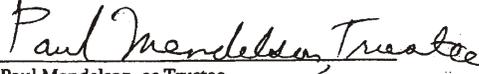
3 SPONSORING ALDERWOMAN TRIPLETT

67936

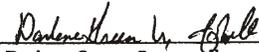
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CHOUTEAU COMPTON, L.L.C.
 By: 
 Michael J. Barnell, Manager

PAUL MENDELSON, AS TRUSTEE OF THE
 ALBERT MENDELSON REVOCABLE TRUST
 DATED JULY 1, 1980, AS AMENDED

By: 
 Paul Mendelson, as Trustee

CITY OF ST. LOUIS

By: 
 Darlene Green, Comptroller

DATE: January 11, 2008

PAGE: 31 of 31

4633514

BOARD BILL # _____

4

SPONSORING ALDERWOMAN TRIPLETT

Approved: March 17, 2008