

ORDINANCE #68376
Board Bill No. 56

AN ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST. LOUIS, MISSOURI AS A REDEVELOPMENT AREA KNOWN AS THE TAYLOR CARRIE REDEVELOPMENT AREA PURSUANT TO THE REAL PROPERTY TAX INCREMENT ALLOCATION 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 TAYLOR CARRIE 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 Taylor Carrie TIF, Inc. (the “Developer”), prepared a plan for redevelopment titled the “Taylor Carrie TIF Redevelopment Plan” dated December 19, 2008 (the “Redevelopment Plan”) for an area consisting of eight tax parcels located in City Blocks 3417 and 4398 as well as a portion of Carrie Avenue and certain rights-of-way (the “Redevelopment Area” or “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 the Redevelopment Area through the rehabilitation and redevelopment of all or a portion of the Redevelopment Area into commercial and industrial space, together with related improvements, as set forth in the Redevelopment Plan (the “Redevelopment Project,” or “TIF Project”); and

WHEREAS, on February 11, 2009, 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 February 11, 2009, the TIF Commission found that completion of the Redevelopment Project would provide a substantial and significant public benefit through the elimination of blighting conditions, the creation of new jobs in the City, 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 the economic stability of 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 February 11, 2009, the TIF Commission voted to recommend that the Board of Aldermen adopt an ordinance in the form required by the Act (i) adopting tax increment financing within the Redevelopment Area, (ii) approving the Redevelopment Plan, (iii) approving and designating the Redevelopment Area as a “redevelopment area” as provided in the Act, (iv) approving the Redevelopment Project as described within the Redevelopment Plan, and (v) approving the issuance of one or more tax increment financing revenue notes 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, the property constituting the Redevelopment Area is underutilized, thus discouraging investment and encouraging crime and vagrancy, and the Redevelopment Area represents a social and economic liability to the City, and

WHEREAS, it is necessary and desirable and in the best interest of the City to approve the Redevelopment Project to allow for the redevelopment of the Redevelopment Area into commercial and industrial space, together with related improvements; 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, enhancement of the tax base, promotion of health, safety, order, convenience, prosperity and general welfare, stimulation of employment opportunities, providing for a stabilized population and plan for the optimal growth of the City of St. Louis, encouragement of a sense of community identity, safety and civic pride, 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 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 as set forth 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 if the Redevelopment Project is built pursuant to the Redevelopment Plan as well as a fiscal impact study on every affected political subdivision and sufficient information for the TIF Commission to evaluate whether the Redevelopment Project is financially feasible.

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 TWO. 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 THREE. The Redevelopment Plan as reviewed and recommended by the TIF Commission on February 11, 2009, 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 FOUR. There is hereby created and ordered to be established within the treasury of the City a separate fund to be known as the "Taylor Carrie Special Allocation Fund." To the extent permitted by law and except as otherwise provided in the Redevelopment Plan, the City hereby pledges funds in the Taylor Carrie Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof.

SECTION FIVE. Tax increment allocation financing is hereby adopted within the Redevelopment Area. After the total equalized assessed valuation of the taxable real property in 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 payments in lieu of taxes into the Taylor Carrie 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 SIX. In addition to the payments in lieu of taxes described in Section Five of this Ordinance, fifty percent (50%) 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 Taylor Carrie Special Allocation Fund.

SECTION SEVEN. The Comptroller of the City is hereby authorized to enter into agreements or contracts with other taxing districts as is necessary to ensure the allocation and collection of the taxes and payments in lieu of taxes described in Sections Five and Six of this Ordinance and the deposit of the said taxes or payments in lieu of taxes into the Taylor Carrie 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 EIGHT. 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 NINE. The Mayor and Comptroller of the City or their designated representatives are hereby authorized and directed to take any and all actions as may be necessary and appropriate in order to carry out the matters herein authorized, with no

such further action of the Board of Aldermen necessary to authorize such action by the Mayor and the Comptroller or their designated representatives.

SECTION TEN. The Mayor and the Comptroller or their designated representatives, with the advice and concurrence of the City Counselor and after approval by the Board of Estimate and Apportionment, are hereby further authorized and directed to make any changes to the documents, agreements and instruments approved and authorized by this Ordinance as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such changes by the Mayor and the Comptroller or their designated representatives.

SECTION ELEVEN. 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 TWELVE. 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, within ninety (90) days after the effective date of an ordinance authorizing the City to enter into a redevelopment agreement pertaining to the Redevelopment Project, the Developer or its affiliate or designee, has not (i) executed any redevelopment agreement with respect to a phase of the Project and (ii) paid all fees due to the City in accordance with the terms of such redevelopment agreement, the provisions of this Ordinance shall be deemed null and void and of no effect and all rights conferred by this Ordinance on Developer, shall terminate, *provided further*, however, that prior to any such termination the Developer may seek an extension of time in which to execute such 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

TAYLOR CARRIE TIF REDEVELOPMENT PLAN

TAYLOR CARRIE

TIF REDEVELOPMENT PLAN

**Submitted to
the City of St. Louis
Tax Increment Financing Commission
December 19, 2008**

**TAYLOR CARRIE
TIF REDEVELOPMENT PLAN**

TABLE OF CONTENTS

- I. INTRODUCTION
- II. OVERVIEW OF TAX INCREMENT FINANCING
- III. REDEVELOPMENT PLAN INCLUDING NECESSARY FINDINGS
 - 1. LEGAL DESCRIPTION AND MAP OF THE REDEVELOPMENT AREA
 - 2. REDEVELOPMENT PLAN OBJECTIVES
 - 3. REDEVELOPMENT PROJECT
 - 4. GENERAL LAND USES TO APPLY
 - 5. REDEVELOPMENT SCHEDULE AND ESTIMATED DATES OF COMPLETION

6. MOST RECENT EQUALIZED ASSESSED VALUE OF PARCELS WITHIN REDEVELOPMENT AREA
7. ESTIMATED EQUALIZED ASSESSED VALUE AFTER REDEVELOPMENT
8. ACQUISITION
9. BLIGHTED AREA
10. CONFORMS WITH THE COMPREHENSIVE PLAN OF THE CITY
11. PLAN FOR RELOCATION ASSISTANCE
12. COST BENEFIT ANALYSIS
13. DOES NOT INCLUDE GAMBLING ESTABLISHMENT
14. REPORTS TO DED
15. HISTORICAL LAND USE

IV. FINANCING PLAN

1. ELIGIBLE REDEVELOPMENT PROJECT COSTS
2. ANTICIPATED SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS
3. TIF NOTE FUNDING
4. EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS

**TAYLOR CARRIE
TIF REDEVELOPMENT PLAN**

APPENDICES

1. LEGAL DESCRIPTION AND MAP OF THE REDEVELOPMENT AREA
2. ANTICIPATED SOURCES AND USES OF FUNDS
3. ANALYSIS OF CONDITIONS REPRESENTING A BLIGHTED AREA FOR THE TAYLOR CARRIE REDEVELOPMENT AREA
4. ANTICIPATED REDEVELOPMENT PROJECT SCHEDULE
5. CURRENT AND HISTORICAL INFORMATION CONCERNING THE EQUALIZED ASSESSED VALUE WITHIN THE REDEVELOPMENT AREA
6. DEVELOPER'S AFFIDAVIT
7. EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS
8. GENERAL LAND USES TO APPLY

I. INTRODUCTION

The following is a plan prepared for redevelopment of certain real property in the City of St. Louis (the "City") consisting of eight parcels in city blocks 3417 and 4398 and generally known and numbered as 5410 3rd Street, 400 Carrie Avenue, 420 Carrie Avenue, 404 Carrie Avenue, 5450 Bulwer Avenue, 6108 Bulwer Ave, 800 East Taylor, and 840 - 880 East Taylor (the "Redevelopment Area" or "Area"). The Area currently contains eight commercial structures (the "Buildings"), related parking and adjacent land. A legal description and map of the Redevelopment Area are attached hereto as **Appendix 1** and incorporated herein by this reference.

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 contemplates the complete redevelopment of the Area into commercial and industrial uses (the "Redevelopment Project" or "Project").

This Redevelopment Plan proposes that the City initially authorize and issue one or more Tax Increment Financing Notes ("TIF Notes") in an amount up to Six Million One Hundred Fifty Thousand and No/100 Dollars (\$6,150,000.00) plus issuance costs

to fund a portion of the costs of the Redevelopment Project. The TIF Notes issued shall be reimbursed solely from the revenue stream of Payments In Lieu of Taxes (“PILOTS”) and Economic Activity Taxes (“EATS”) generated by the Project over a twenty-three year period. One hundred percent of PILOTS within the Redevelopment Area and fifty percent of EATS will be allocated to retire the TIF Notes. The City may issue TIF Note(s) or other TIF obligations to the developer of the 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 Taylor Carrie 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.

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 area then generates 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.

III. REDEVELOPMENT PLAN INCLUDING NECESSARY FINDINGS

1. Legal Description of the Redevelopment Area

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

The Area includes the property located at 5410 3rd Street, 400 Carrie Avenue, 420 Carrie Avenue, 404 Carrie Avenue, 5450 Bulwer Avenue, 6108 Bulwer Ave, 800 East Taylor, and 840 - 880 East Taylor.

2. Redevelopment Plan Objectives

The City of St. Louis has established the following objectives for the Taylor Carrie 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 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, benefiting taxing districts and encouraging private investment in surrounding areas;
- To promote the health, safety, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development;
- To further objectives outlined in the City of St. Louis Strategic Land Use Plan (2005);
- To increase property values of the Area and surrounding areas;
- Bring jobs, investment and activity to North St. Louis, generating revenue for surrounding businesses and stability for the North Riverfront Neighborhood
- Demonstrate the viability and benefits from environmentally-friendly "green" buildings; and
- To stimulate construction and permanent employment opportunities and increased demand for services for the Area and surrounding areas.

3. Redevelopment Project

To satisfy the above objectives, the Redevelopment Project consists of:

- Commercial and Industrial Uses Rehabilitation of all or a portion of the Area into commercial and industrial space together with related improvements.

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

It is expected that the Redevelopment Project will capitalize on existing successful redevelopment activity in the North Riverfront Neighborhood, and, in so doing, will enhance the perception of this portion of St. Louis as a safe and active environment. The project will help stabilize and enhance the perception of security in the area. In addition, it is expected that the Project will encourage an increase in other redevelopment efforts in the vicinity of the Redevelopment Area.

The total estimated Redevelopment Project Costs for the Redevelopment Project at this time equal approximately \$46,437,000, excluding developer fees, 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 general land uses proposed for the Area are commercial and industrial uses. A map profiling the general land uses to apply is attached hereto as **Appendix 8** and incorporated herein by this reference.

5. Redevelopment Schedule and Estimated Dates of Completion

It is estimated that implementation of the Redevelopment Project will be completed within thirty-six (36) months from the execution of a redevelopment agreement between the City and the Developer of this Redevelopment Project as contemplated herein. This date is merely an estimate, and such implementation may be accelerated or delayed as market or site conditions dictate. 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. The anticipated Redevelopment Program Schedule for the TIF Project is included

herein as **Appendix 4**.

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

The current Equalized Assessed Value of all property in the Redevelopment Area is attached as **Appendix 5**. These values are established and will be confirmed by the Assessor of the City of St. Louis. **Appendix 5** also includes historical information concerning the Equalized Assessed Value of the Redevelopment Area.

7. Estimated Equalized Assessed Value after Redevelopment

The total estimated Equalized Assessed Value of all property subject to PILOTS in the Redevelopment Area after redevelopment and completion of the Redevelopment Project Area is approximately \$17,020,000 (2011).

8. Acquisition

The use of eminent domain is not contemplated within the Area to complete the Redevelopment Project.

9. Blighted Area

As described in greater detail in the *Analysis of Conditions Representing a Blighted Area for the Taylor Carrie Redevelopment Area* attached hereto as **Appendix 3** and incorporated herein by this reference, 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 affidavit is included herein as **Appendix 6**.

The cost of redevelopment precludes 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 rehabilitation of 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 Redevelopment Plan conforms to the development of the City as set forth in the "Strategic Land Use Plan" (2005). The northern portion of the Area is designated as a "Business and Industrial Preservation and Development Area." The southern portion of the Area is designated as "Business and Industrial Development Area." The Redevelopment Project for this TIF matches the goals set for both these designations.

11. Plan for Relocation Assistance

The relocation of residents or businesses is not anticipated to be necessary within the Redevelopment Area with respect to the Redevelopment Project; however, to the extent any relocation is necessary, this Plan will follow the regulations established by the City of St. Louis for relocation according to Ordinance 62481.

12. Cost Benefit Analysis

A cost benefit analysis showing the fiscal impact of the Project on each taxing district impacted by this Redevelopment Plan and sufficient information to determine the financial feasibility of the Project 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 real and personal 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 TIF Act, the City shall report to the Department of Economic Development regarding the Redevelopment Area.

15. Historical Land Use of Property within the Redevelopment Area

The property is located near the Mississippi River in North St. Louis, across Interstate 70 from O'Fallon Park in the North Riverfront Neighborhood. The property has been used for a wide variety of uses over the years. The land in this area was originally part of the estates owned by John O'Fallon, Dr. John Gano Bryan, Edward Hempstead, and Lewis Bissell. Beginning in the 1840s, the area was subdivided for residential property. The area was annexed in 1876 to the City of St. Louis and became increasingly dominated by industrial uses. The northern portion of the Area was used as the Carrie Rail Yards. The rail yards have been subsequently removed and the Area has served a variety of industrial uses. Currently, the Area is primarily vacant and underutilized and in mostly poor condition.

Sources: *City of St. Louis* and "*History of St. Louis Neighborhoods*" by Norbury L. Wayman

IV. FINANCING PLAN1. 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 \$46,437,000, excluding developer fees, 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; such Project Costs, 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 new structures as permitted by the TIF Act, of public works or other 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 Project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto; and
- All or a portion of a taxing district's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the City, by written agreement, accepts and approves such costs.

The costs 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.

The following table illustrates the anticipated categories costs that will be funded in part by TIF, assuming the funding of up to \$6,150,000 in Redevelopment Project Costs.

CATEGORY	
	Acquisition Costs
	Demolition Costs (includes, but is not limited to, demolition of existing buildings and structures or parts thereof).
	Site Preparation and Improvements Costs (includes, but is not limited to, site work, street and sidewalk improvements, utility work, resetting of curbs, landscaping and lighting in the right of way).
	Financing Costs (includes, but is not limited to, loan fees, construction period interest, disbursing fees, construction monitoring and inspection fees, lender’s legal fees, loan appraisals, flood certificates, title, recording, disbursing costs, tax credit investor fees and any and all other costs incurred by the Developer in connection with obtaining financing for and a tax credit investor in the Redevelopment Project).
	Environmental Testing, Remediation and/or Abatement Costs (includes, but is not limited to, the testing for and removal and disposal of toxic or hazardous substances or materials).
	Professional Service Costs (includes, but is not limited to, architectural, engineering, surveying, legal, marketing, advertising, financial, planning, or special services).
	TIF Costs & Issuance Costs incurred by the Developer.
	Rehabilitation, renovation or reconstruction of existing buildings and structures and construction of common improvements to the Redevelopment Area and construction of new structures as permitted by the TIF Act.
\$6,150,000	TOTAL

It is not the intent of **Appendix 2**, the table provided above, or this Redevelopment Plan to restrict the City or the Developer to the cost amounts, categories or allocations 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** and additional categories may be added to the extent allowed by the TIF Act, 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 (5) principal sources of potential 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:

- Owner equity;
- Private financing;
- New Market Tax Credits
- Brownfield Tax Credits
- Funds available through the issuance of TIF notes, bonds, loans, or other certificates of indebtedness (herein collectively referred to as “TIF Note or other financial obligations”). It is contemplated that these funds will include those generated by a Community Improvement District (CID).

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 one or more Tax Increment Financing Notes (“TIF Note”) in an amount up to Six Million One Hundred Fifty Thousand and No/100 Dollars (\$6,150,000.00) 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 Taylor Carrie Special Allocation Fund.

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

1. The “PILOTS Account” 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” 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 and EATS Account will be pledged to the 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, the EATS Account, 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 providing evidence of a commitment to provide financing of Redevelopment Project Costs associated with the Redevelopment Project.

**APPENDIX 1
TAYLOR CARRIE TIF REDEVELOPMENT PLAN
LEGAL DESCRIPTION AND MAP OF REDEVELOPMENT AREA**

A tract of land being part of City Blocks 4398 and 3417 of the City of St. Louis, Missouri, whose external boundaries are described as follows:

Beginning at point at the intersection of the North line of Carrie Avenue and the West line of North 3rd Street, then proceeding Southeastwardly along the West line of North 3rd Street to the intersection of the North line of Adelaide Avenue and the West line of North 3rd Street, then proceeding Southwestwardly along the North line of Adelaide Avenue to a point 306.04 feet East of the East line of Bulwer Avenue, then proceeding Northwestwardly 230.71 feet along a line that lies 25 feet southerly of and parallel with the centerline of the existing Terminal Railroad Association of St. Louis Track to a point on the East line of Bulwer Avenue, then proceeding Northwestwardly along the East line of Bulwer Avenue to the intersection of South Line of Carrie Avenue and the East Line of Bulwer Avenue, then proceeding Southwestwardly along the South line of Carrie

Avenue to the intersection of the West line of North Broadway Street and the South line of Carrie Avenue, then proceeding Southwestwardly 411.96 feet to the Mark Train Expressway, also known as Interstate 70, then continuing Westwardly 862.75 feet along the boundary of said Mark Twain Expressway to a point 122 feet South of East Taylor Avenue, then Northwestwardly to a point on the South line of East Taylor Avenue, then Northeastwardly along the South line of East Taylor Avenue to the intersection of the West line of Broadway Street and the South line of East Taylor Avenue, then Southeastwardly along the West line of Broadway Street to the intersection of the North line of Carrie Avenue and the West line of Broadway Street, then Northeastwardly along the North line of Carrie Avenue to the point of Beginning. This area describes the City of St. Louis Assessor's Office tax identification parcels 34170000700, 34170000450, 34170000400, 34170000500, 34170000300, 34170000600, 43980000500, and 43980000400 as well as a portion of Carrie Avenue.

The Area shall include all or a portion of the parcels and right-of-ways more particularly described as follows:

Parcel 1

A parcel of land in Biddle's Estate Subdivision, and in City Block 4398 of the City of St. Louis, consisting of all of Lot 2 and part of Lots 1, 3 and 4 of said subdivision, and more particularly described as:

Commencing at the Southeast corner of Lot 2, which is the intersection of the Northwestern line of Carrie Avenue, 30 feet wide and the Southwestern line of North Broadway 108 feet wide; thence Southwesterly along the Northwest line of Carrie Avenue 411.96 feet to a point; thence in a straight line, in a Westerly direction, to a point, (the said point being exactly 221 feet Southeast of the Southeastern line of East Taylor Avenue, as measured along a line at right angles to said East Taylor Avenue and exactly 280 feet Northeast of the West corner of Lot No. 4, as measured along said Southeastern line of East Taylor Avenue); thence generally Westerly along a straight line to a point on the Southwestern line of said Lot 4, (said point being determined by the prolongation of the aforesaid straight line Westwardly to its intersection with the centerline of an unimproved former street, paralleling the aforesaid Southwestern line of Lot 4, and which intersection with said centerline is exactly 122 feet Southeast of the aforesaid Southeastern line of East Taylor Avenue, as measured along said centerline); thence Northwest along said Southwestern line of Lot 4 to its intersection with the Southeastern line of East Taylor Avenue; thence Northeastwardly along said Southeastern line of East Taylor 986.00 feet more or less to a point; thence leaving said Taylor Avenue in a Southeasterly direction a distance of 178.28 feet to a point; thence Northeastwardly on a line parallel to the Southeast line of Taylor Avenue a distance of 114.11 feet to the Southwest line of North Broadway; thence Southwardly along North Broadway 364.83 feet more or less to the point of beginning.

Parcel 2

That parcel located in St. Louis City Block 4398 and identified by the City of St. Louis Assessor's office as tax identification number 43980000400 more particularly described as follows:

Beginning at the intersection of the West line of North Broadway Street and the South line of East Taylor Avenue, then proceeding Southwestwardly 104.83 feet, then Southeastwardly 178.28 feet, then Northeastwardly 114.11 feet, then along the West line of North Broadway Street to the point of beginning, containing approximately 0.448 acres.

Parcel 3

A tract of land being parts of Lots 83, 84, 85, 86, 87, 88, 89, and 90 of John O'Fallon's Estate, together with vacated streets and alleys, and in Block 3417 of the City of St. Louis, Missouri, and individually more particularly described as:

1. The Eastern part of Lot 83 (former City Block 3417) having a front of 274 feet 1 inch on the North line of Adelaide Ave., a front of 273 feet 9 inches on the South line of Fair Ave. (vacated), and a front of 309 feet 9-1/2 inches on the West line of West Third St., and being bounded on the West by property now or formerly of St. Louis Merchants Bridge and Terminal Railway Company.
2. The Eastern part of Lot 84 (former City Block 3420) having a front of 425 feet 1/2 inch on the North line of Fair Ave.

(vacated), a front of 429 feet 6 inches on the South line of Harris Ave. (vacated), and having a width of 300 feet 2-1/4 inches on the West line of West Third St., and being bounded on the West by property now or formerly of St. Louis Merchants Bridge and Terminal Railway Company.

3. Lot 85 (former City Block 3429), excepting therefrom that part conveyed to Terminal Railroad Association of St. Louis by deed recorded in Book 7955 page 408.
4. Lot 86 (former City block 3434), excepting therefrom that part conveyed to Terminal Railroad Association of St. Louis by deed in Book 7955 page 408.
5. Lot 87 (former City Block 3443), excepting therefrom that part conveyed to Terminal Railroad Association of St. Louis by deed in Book 7955 page 408.
6. Lot 88 (former City Block 3448), excepting therefrom that part conveyed to Terminal Railroad Association of St. Louis by deed recorded in Book 7955 page 408.
7. Lot 89 (former City Block 3457); excepting therefrom that part conveyed to Terminal Railroad Association of St. Louis by deed recorded in Book 7955 page 408.
8. Lot 90 (former City Block 3464), excepting therefrom that part conveyed to Terminal Railroad Association of St. Louis by deed recorded in Book 7955 page 408, also excepting therefrom that part conveyed to Norma L. Meyer by deed recorded in Book 7064 page 279, and also excepting therefrom that part conveyed to Leah Obin by deed recorded in Book 8772 page 259.
9. All streets, avenues and alleys which lie within or adjacent to the boundaries of the hereinabove described parcels, which were vacated by Ordinance No. 21512 approved by April 20, 1904.

The foregoing being the same property in part as described in deed from Frisco Construction Company to Rock Island-Frisco Terminal Railroad Company date February 14, 1907 and recorded in Book 1988 page 261, and deed from Rock Island-Frisco Terminal Railway Company to Chicago, Rock Island and Pacific Railroad Company dated June 28, 1957 and recorded in Book 7755 page 65 of the St. Louis city Records.

Parcel 4

A tract of land in Block 3417 of the City of St. Louis, Missouri, and being more particularly described as follows: Beginning at the intersection of the Southeast line of Carrie Avenue, 60 feet wide, with the Southwest line of West Third Street, 18 feet 6 inches wide; thence South 38 degrees 12 minutes 57 seconds East along said line of West Third Street, a distance of 310.00 feet to a point; thence South 55 degrees 54 minutes 02 seconds West, a distance of 43.11 feet to a point; thence North 38 degrees 12 minutes 57 seconds West along a line 43 feet Southwest of and parallel to the Southwest line of West Third Street, a distance of 310.00 feet to a point in the Southeast line of said Carrie Avenue; thence North 55 degrees 54 minutes 02 seconds East, a distance of 43.11 feet to the point of beginning.

Parcel 5

A Lot in Block 3417 of the City of St. Louis, Missouri, fronting 175 feet on the South line of Carrie Avenue, by a depth Southwardly, between parallel lines of 310 feet; bounded East by a line parallel with and 43 feet West of the West line of West Third Street, measured along a line at right angles to said West Third Street.

Parcel 6

That parcel located along the East line of Bulwer Avenue in St. Louis City Block 3417 and identified by the City of St. Louis Assessor's office as tax identification number 34170000450.

Parcel 7

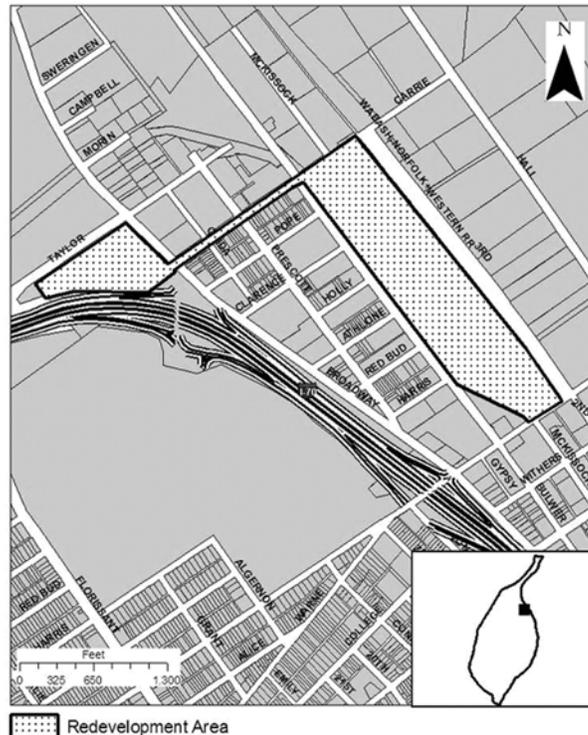
That parcel located in St. Louis City Block 3417 and identified by the City of St. Louis Assessor's office as tax identification number 43980000300, further described as follows:

Commencing at the intersection of the northwesterly right of way line of Adelaide Avenue and the northeasterly right of way line of Bulwer Avenue; thence north 40 degrees 16 minutes 37 seconds west, along the northeasterly right of way line of Bulwer Avenue, a distance of 630.78 feet to the intersection of said line and a line that lies 25.00 feet southerly of and parallel with the centerline of the existing terminal railroad association of St. Louis track, said point being the point of beginning of the following described tract; thence continuing north 40 degrees 16 minutes 37 seconds west, along said northeasterly right of way line, a distance of 292.47 feet to the southwesterly line of a tract of land conveyed to the Chicago, Rock Island, and Pacific Railroad Company as recorded in the Recorder's office of the City of St. Louis, Missouri, in Book 7755 on Page 65; thence south 61 degrees 36 minutes 14 seconds east, along said southwesterly line, a distance of 901.64 feet; thence south 48 degrees 48 minutes 09 seconds east, continuing along said southwesterly line, a distance of 102.09 feet to a point on the northwesterly line of Adelaide Avenue; thence south 52 degrees 39 minutes 38 seconds west, along said northwesterly right of way line, a distance of 37.46 feet to the intersection of said line and a line that lies 25.00 feet southerly of and parallel with the centerline of the existing terminal railroad association of St. Louis track; thence northwesterly, along said parallel line, being a curve to the left, having a radius of 832.91 feet and a chord bearing north 61 degrees 39 minutes 26 seconds west, a chord distance of 281.61 feet; thence north 69 degrees 47 minutes 54 seconds west, continuing along said parallel line, a distance of 230.71 feet; thence northwesterly continuing along said parallel line, being a curve to the right, having a radius of 1014.06 feet and a chord bearing north 66 degrees 13 minutes 39 seconds west. A chord distance of 204.06 feet to the point of beginning and containing 1.50 acres. Subject to easements, rights, and restrictions of record of existence, if any.

Carrie Avenue Right of Way

That portion of Carrie Avenue located from the West line of Third Street to the West line of North Broadway.

MAP OF TAYLOR CARRIE REDEVELOPMENT AREA



**APPENDIX 2
TAYLOR CARRIE TIF REDEVELOPMENT PLAN
ANTICIPATED SOURCES AND USES OF FUNDS**

TAYLOR CARRIE

Sources and Uses

(Excluding developer fees)

Total SF	\$ 955,700.00
<u>USES</u>	
Acquisition	\$ 8,906,200.00
Shell	\$ 29,946,800.00
Commissions	\$ 2,517,716.00
Financing	\$ 851,604.00
Arch & Eng	\$ 400,000.00
Title and Survey	\$ 72,959.00
Loan Fees	\$ 219,275.00
Legal and other professional	\$ 60,000.00
TIF / CID / NMTC related costs	\$ 300,000.00
Taxes, CAM, Insurance	\$ 61,950.00
Contingency	\$ 2,100,000.00
Remediation Costs	\$ 1,000,000.00
TOTAL USES	\$ 46,436,504.00
<u>SOURCES</u>	
Financing / equity	\$ 35,416,504.00
TIF	\$ 4,880,000.00
CID	\$ 1,270,000.00
NMTCs	\$ 4,000,000.00
Brownfield Tax Credit Proceeds	\$ 870,000.00
TOTAL USES	\$ 46,436,504.00

**APPENDIX 3
ANALYSIS OF CONDITIONS REPRESENTING A BLIGHTED AREA FOR THE
TAYLOR CARRIE REDEVELOPMENT AREA**

ANALYSIS OF CONDITIONS REPRESENTING

A BLIGHTED AREA

for the

**TAYLOR CARRIE
TIF REDEVELOPMENT AREA**

**TAYLOR CARRIE
TIF REDEVELOPMENT PLAN**

December 19, 2008

**City of St. Louis, Missouri
Tax Increment Financing Commission**

TIF ELIGIBILITY

The Taylor Carrie Redevelopment Area (the “Redevelopment Area” or “Area”) established in the Taylor Carrie Redevelopment Plan (the “TIF Redevelopment Plan”) is a blighted area based on the fact that it exhibits the factors set forth in Section 99.805(1) of the Revised Statutes of Missouri (the “TIF Act”).

As defined, 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.

Blighting factors and conditions present in the Redevelopment Area include:

- 1) Deterioration of Site Improvements:
 - a. Buildings exteriors;
 - b. Buildings interiors;
 - c. Insufficient drainage;
 - d. Lack of maintenance; and
 - e. Presence of refuse
- 2) Unsanitary and unsafe conditions resulting from:
 - a. Deteriorated site improvements;
 - b. Insufficient drainage;
 - c. Illegal activity; and
 - d. Environmental contamination
- 3) Existence of Conditions which Endanger Lives or Property by Fire or Other Causes:
 - a. Deteriorating physical components; and

- b. Environmental contamination

These factors and conditions are:

- 1) A Menace to the Public Health, Safety, Morals or Welfare
- 2) An Economic or Social Liability:
 - c. Deferred maintenance;
 - d. Required environmental remediation; and e. Uncompetitive position.

The factors listed above will persist and continue to decline until the comprehensive redevelopment of the Area is undertaken.

A map illustrating the boundaries of the area is attached hereto as Exhibit 1, along with photographs of conditions in the Area attached hereto as Exhibit 2.

DATA COLLECTION METHODS

This study has been designed and conducted to comply with the specific requirements of Section 99.805 (1) RSMo. The study and the requisite fieldwork were performed in December, 2008. Observations and conclusions are based upon on-site inspections of the Redevelopment Area and familiarity with the local market.

In determining whether the proposed Redevelopment Area meets the eligibility requirements for Tax Increment Financing per the TIF Act, a number of sources of information were utilized; including, but not limited to, the following:

- A. Survey of the condition and use of the Redevelopment Area;
- B. Public documents and records relating to the history and/or condition of the Area;
- C. Analysis of existing uses; and
- D. Phase II Environmental Assessment of Union Pacific Rail Yard

OVERVIEW OF THE REDEVELOPMENT AREA

The Redevelopment Area consists of eight structures (“Buildings”) related parking and land on eight parcels in city blocks 3417 and 4398 as shown on Appendix 1 to the TIF Redevelopment Plan.

DISCUSSION OF BLIGHT IN THE REDEVELOPMENT AREA

Blighting Factors and Conditions Present in the Redevelopment Area

- 1) 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 plates, or holes and cracks over limited areas. Deterioration that is not easily curable, however, and that 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.

Particularly in the northern portion of the Area, the Buildings suffer from deterioration of most exterior building components. The exteriors suffer from deterioration due to previous periods of a lack of maintenance as well as age and use. The site visit revealed evidence of damage caused by both neglect and vandalism. The existing concrete block structure

located on the old Carrie Rail Yards site is severely deteriorated. This structure also suffers from deterioration of all interior building components. Primary components including all interior utility systems are destroyed. These conditions, as well as the fact that the structure is filled with refuse, render the structure completely unusable in its current condition. It has also been completely vandalized and has become a place for vagrants to reside. The structure at 404 Carrie Avenue is in deteriorated condition. This property is filled with refuse, vehicles, and various pieces of scrap metal. The property at 400 Carrie Avenue is also filled with refuse and overgrown brush as well as piles of used tires.

The structures located in the southern portion of the Area are in substantially better condition; however, it is clear that many of these industrial and commercial structures are in need of repairs. In addition, these structures are mostly vacant and severely underutilized. If this situation continues, these structures will likely become deteriorated in the next few years.

Existing Structures Located Within the Taylor Carrie Redevelopment Area

LOCATION	DESCRIPTION	ESTIMATED YEAR BUILT	CONDITION	CURRENT USE
5410 Third	Concrete block former office for rail yard	Unknown	Severely Deteriorated	Vacant
404 Carrie Avenue	Brick and wood structure used as office and warehouse for old storage yard	1950	Deteriorated	Underutilized/Vacant Commercial
800 East Taylor Street	Stone and steel bus terminal	1991	Good	Transportation
800 East Taylor Street	Brick and wood bus terminal utility building	1991	Good	Transportation
840 East Taylor Street	Brick and concrete office building	1920	Fair	Underutilized/Vacant Office
840 East Taylor Street	Brick and steel industrial warehouse with multiple additions over the years	1920	Fair to Poor	Underutilized/Vacant Industrial
840 East Taylor Street	Steel and vinyl prefabricated guard house and check-in site of trucks for industrial site	Unknown	Fair to Good	Underutilized/Vacant Industrial
840 East Taylor Street	Steel prefabricated former warehouse and shop for industrial site	Unknown	Fair to Good	Underutilized/Vacant Industrial

Sources: City of St. Louis and December, 2008 site visit

The infrastructure in the Area is in a deteriorated and unmarketable state in its current condition. Much of the northern portion of the Area lacks basic working connections to public utilities. Power lines hang loosely from the poles where they were previously connected when the Area was used as the Carrie Rail Yards. Carrie Avenue (and to some extent East Taylor Street) are in severely deteriorated condition due to years of truck and other traffic from the previous industrial uses. Potholes and major cracks are visible in all public rights-of-ways. The sewer drains are also severely deteriorated and will need to be replaced. Several of the entrances to the properties in the Area are deteriorated from use by semi-trailers. Both the northern and southern parking areas are in deteriorated condition, with the northern parking area being so deteriorated that large portions of the lot contain multiple pools of water. Very little of the original pavement is left in the northern parking area. Much of the lot has become overgrown and is filled with standing water. All portions of the Area have significant amounts of refuse and evidence of illegal dumping. During the site visit it was noted that used furniture, bags of trash, and automobile parts had been dumped in the Area.

The Area suffers from deterioration of site conditions. If these deficiencies are not corrected, they will cause damage to

adjacent uses and public infrastructure. They cannot be corrected through normal maintenance but require rehabilitation, or replacement in order to be brought to an acceptable and marketable physical state.

2) *Unsanitary or Unsafe Conditions:*

In addition to the general physical deterioration of site improvements stated above, the Area contains unsanitary or unsafe conditions.

The lack of maintenance and deteriorated conditions makes the Area unsafe. The structures are either vacant or severely underutilized. These conditions provide a secluded area for criminal activity and vagrancy as well as a location for illegal dumping. During the site visit it was noted that on and near the Area and the Buildings are numerous instances of graffiti and other forms of vandalism. The deterioration and lack of proper drainage of the former Carrie Rail Yards portion of the Area has caused severe ponding of water. In addition, the piles of refuse and used tires have provided an area for mosquitoes to breed. According to the City of St. Louis Citizen's Service Bureau, there has been at least one complaint and subsequent treatment of the area for mosquito infestation. These considerations constitute unsanitary or unsafe conditions.

The severe deterioration of the structure located at 5410 Third Street makes it completely unusable due to unsafe conditions. The building is currently unsecured and there is evidence that the structure is inhabited at times by vagrants. The windows of the structure have been broken and it is filled with refuse.

A Phase II Environmental Site Assessment of the former Union Pacific Rail Yard (Carrie Rail Yards) was completed December 3, 2008. As the Area was historically used as a rail yard and industrial site which contained storage tanks for various hazardous substances, the Phase I Environmental Site Assessment had identified multiple potential sources of environmental contamination, which required further investigation. The Phase II Assessment included 25 soil borings, soil sample collection, piezometer installation, groundwater sample collection, and laboratory analysis. These analyses revealed a number of significant environmental contamination issues in the Area. According to page five of the Assessment, the soil borings and samples revealed the following:

"Seventeen of the 50 soil samples collected during this investigation exhibited concentrations of constituents above default target levels (DTLs)... Analysis of four of the surface soil samples detected contamination (specifically arsenic and benzo(a)pyrene) at concentrations exceeding Tier I Non-Residential RBTLs. In addition, traces of free product were observed in surface soil at SB-7."

Samples of groundwater also revealed serious environmental contamination as identified on page five of the Assessment:

Groundwater in three of the nine piezometers sampled during this investigation exhibited concentrations of constituents above default target levels (DTLs)... Groundwater sampled during this investigation detected hydrocarbon contamination in two of the nine sampling locations at concentrations exceeding Tier I Non-Residential RBTLs. In addition, free product was present on groundwater at SB-5."

The Assessment identified the presence of arsenic, lead, benzo(a)pyrene, benzo(a)fluoranthene, and Total Petroleum Hydrocarbons (TPH) including GRO, DRO, and ORO at levels exceeding those permitted for non-residential properties. Effects of these substances in humans can range from mild to severe illnesses, various cancers, organ failure, to death. The presence of these contaminants will require extensive environmental clean-up of the Area at a significant cost to any future developer before the Area will be able to be developed.

These issues constitute unsanitary or unsafe conditions, prevent the full utilization of the Area and increase the cost of rehabilitation.

3) *Existence of Conditions which Endanger Lives or Property by Fire or Other Causes:*

The deteriorating condition of the Area has resulted in conditions that are unsafe and which present a danger to property and personal safety. Vandalism and graffiti are present in the Area. The vacant and underutilized (and in one case unsecured) structures in the Area provide an opportunity for break-ins. The Area has become a target for vandalism, illegal dumping and possible criminal activity. Vagrants have at times occupied one of the structures.

The lack of maintenance and piles of refuse, wood, and overgrown brush pose a potential fire hazard for the Area. The poor drainage of portions of the Area as well as refuse, including piles of used tires, provides breeding ground for mosquitoes. Overgrown areas provide secluded locations for criminal and gang-related activity to take place.

As noted above, the Phase II Environmental Site Assessment of the former Union Pacific Rail Yard (or Carrie Rail Yards) was completed December 3, 2008. The Assessment revealed the presence of unacceptable levels of the following contaminants: arsenic, lead, benzo(a)pyrene, benzo(a)fluoranthene, and Total Petroleum Hydrocarbons (TPH) including GRO, DRO, and ORO. These contaminants can cause moderate to severe illness, cancer, organ failure and death if present in humans.

These conditions present a danger to lives or property by fire or other causes.

Impact of Noted Factors and Conditions Representing Blighted Conditions

The conditions in their present state outlined above are a menace to the public health, safety, morals or welfare and are an economic or social liability.

1) *Menace to the Public Health, Safety, Morals, or Welfare:*

As discussed above, the Area exhibits factors that constitute a menace to the public health, safety, morals, or welfare in its present condition and use. The deteriorated condition of the property has negatively impacted surrounding residences and businesses through encouraging vagrancy, vandalism, and crime. The deteriorating, unsanitary, and unsafe conditions described above represent a menace to the public health and safety; the economic and environmental liability of the Area also represents a menace to the public welfare.

2) *Economic or Social Liability*

Due to the predominance of blighting factors discussed above, the Area in its current condition is a liability to the social welfare and economic independence of the City. As noted above, the Area suffers from a lack of investment. Deterioration of the Area has contributed to the lack of physical maintenance and underutilization of the Area. To overcome the underutilization of the Area, conditions that contribute to economic and social liability must be remediated in order to allow for natural growth of existing uses in the Area.

The Area in its current condition hampers the economic vitality and independence of the City by failing to generate sufficient tax revenue and discouraging reinvestment in, or maintenance of, the Area. The high cost of the environmental remediation required to use the Area presents an economic liability. The Area's physical condition and environmental contamination, combined with the underutilization of the Area, diminishes its potential to generate property and economic activity tax revenues for the City. The Area is well-located close to Interstate 70 and significant rail connections; however, in its current condition, is unmarketable. Without the comprehensive redevelopment of the Area, its physical condition will continue to deteriorate and its economic efficiency will suffer.

The physical condition of and resulting lack of reinvestment in the Area have resulted in economic underutilization. The economic underutilization of the property contributes to the eligibility of the Redevelopment Area. The comprehensive redevelopment of the site will foster much needed economic activity and contribute to the growth of the City.

Exhibit 1
Taylor Carrie TIF Redevelopment Area
Blight Analysis

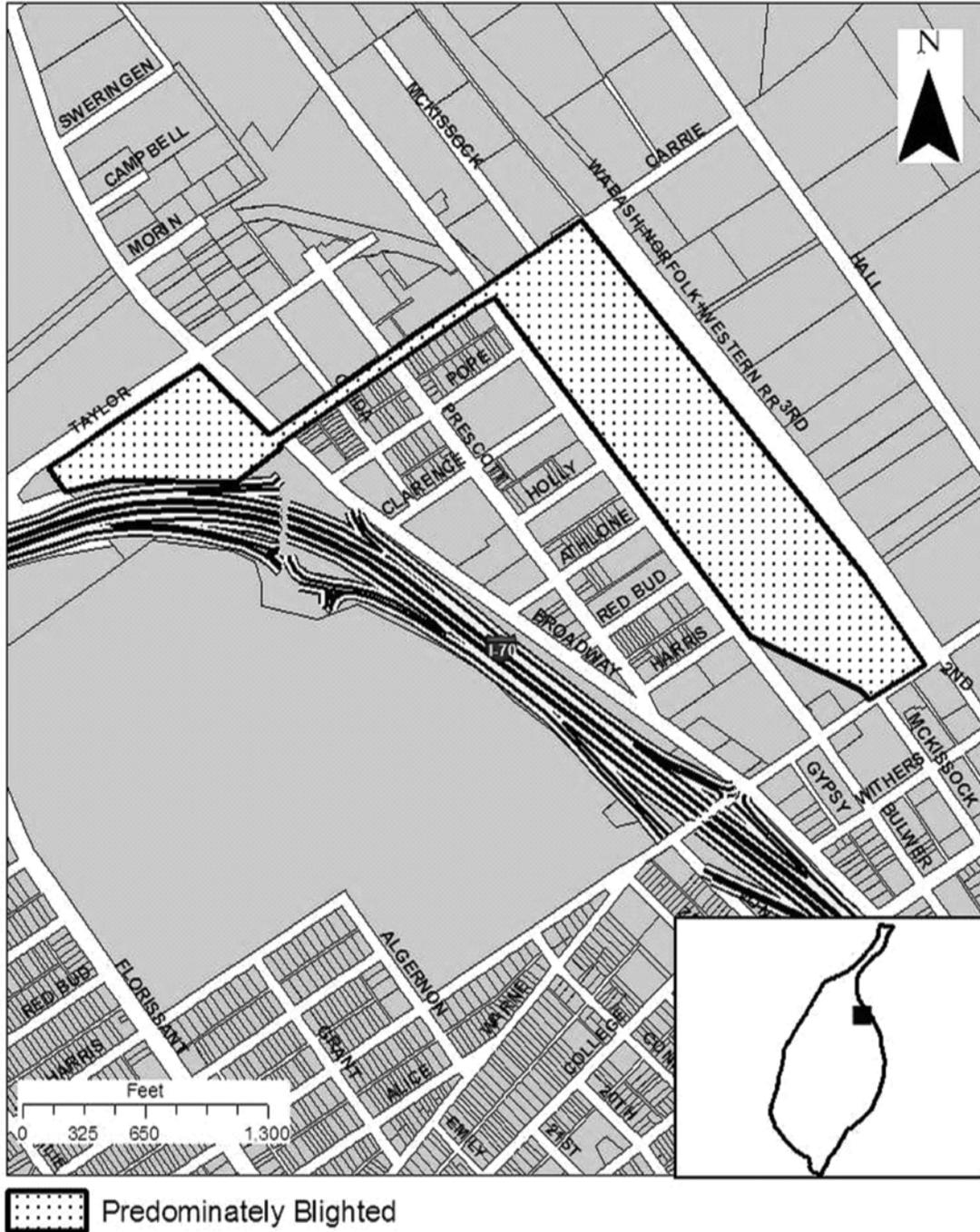


Exhibit 2: Photographs of Blighted Conditions



View of northern portion of the Area showing overgrown conditions on former rail yard



View facing south, showing extensive ponding and poor drainage in the Area



View of northern portion of the Area facing southeast, showing overgrown conditions



View of northern portion of the Area facing northeast



View of northern portion of the Area facing northwest, showing overgrown conditions



View of northern portion of the Area showing extensive ponding in old rail yard area



Pavement throughout the Area is severely deteriorated



Unsecured structure show evidence of vagrancy and vandalism



Unsecured and severely deteriorated structure covered in graffiti



Evidence of illegal dumping and refuse throughout the Area



Downed power lines from former industrial use



Property at 400 Carrie filled with refuse and used tires



Illegal dumping and deteriorated structure in northern portion of the Area



Street and sewer infrastructure is deteriorated on former industrial properties



View of underutilized industrial lot in southern portion of the Area



View of Metro bus shelter and turnaround located in the Area



Commercial building located at 840 East Taylor in southern portion of the Area



Industrial warehouse at 840 East Taylor



Industrial storage building located at 840 East Taylor



View of southern portion of the Area showing overgrown conditions and illegal dumping

**APPENDIX 4
TAYLOR CARRIE TIF REDEVELOPMENT PLAN
ANTICIPATED REDEVELOPMENT PROJECT SCHEDULE**

First TIF Commission Meeting (\$5,000 Application fee due)	12/10/2008
Submit Redevelopment Plan to TIF Commission (at least 45 days prior to public hearing)	12/19/2008
Mailing of Notice of TIF Commission Public Hearing to Taxing Districts (not less than 45 days prior to hearing) (RSMo. 99.830.3)	12/19/2008
First Publication of Notice of TIF Commission Public Hearing (not more than 30 days prior to hearing) (RSMo. 99.830.1)	1/13/2009
Written Notice to Property Owners (not less than 10 days prior to public hearing) (RSMo. 99.830.3)	1/30/2009
Second Publication of Notice of TIF Commission Public Hearing (not more than 10 days prior to public hearing) (RSMo. 99.830.1)	2/2/2009
Public Hearing by TIF Commission (RSMo. '99.825)	2/11/2009
TIF Commission Recommendation to Board of Aldermen (within 90 days of TIF Public Hearing) (RSMo. 99.820.3)	2/11/2009
TIF Ordinances Introduced adopting plan, approving project, establishing district, establishing special allocation fund, approving redevelopment agreement and authorizing issuance of TIF Notes (between 14 and 90 days after hearing) (RSMo. 99.820.1[1])	5/1/2009
HUDZ Committee Hearing on TIF Ordinances	5/6/2009
Second Reading of TIF Ordinances	5/8/2009
Perfection of Board Bill(s)	5/15/2009
Board of Estimate & Apportionment	5/13/2009
Third Reading and Final Passage of TIF Ordinances	5/22/2009
Mayor Signs Bills	6/1/2009
Full Construction Commences	8/1/2009
Construction Complete	12/31/2010

**APPENDIX 5
TAYLOR CARRIE TIF REDEVELOPMENT PLAN
CURRENT AND HISTORICAL INFORMATION CONCERNING THE EQUALIZED ASSESSED VALUE
OF REDEVELOPMENT AREA**

<u>Street Address</u>	<u>Tax ID</u>	<u>Equalized Assessed Value (2008)</u>
5410 3rd Street	34170000700	\$ 464,800
6108 Bulwer Ave	34170000450	\$ 7,000

420 Carrie Avenue	34170000400	\$ 86,200
404 Carrie Avenue	34170000500	\$ 27,100
5450 Bulwer Avenue	34170000300	\$ 0
400 Carrie Avenue	34170000600	\$ 2,100
840 - 880 East Taylor	43980000500	\$ 304,100
800 East Taylor	43980000400	\$ 16,000

HISTORY OF ASSESSED VALUE

TERM	AV*	% CHANGE
2004	\$678,700	-
2005	\$790,200	16%
2006	\$790,200	0%
2007	\$907,300	15%
2008	\$907,300	0%

*Values consist of the entire property listed above.

Information concerning Economic Activity Taxes (EATs) is non-public and thus, not available at this time.

**APPENDIX 6
TAYLOR CARRIE 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 Taylor Carrie Tax Increment Financing Redevelopment Plan, initially dated December 19, 2008 (the "Redevelopment Plan").

1. I am a duly authorized representative of Green Street Properties, LLC (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.

Green Street Properties, LLC
a Missouri limited liability company

By: [Signature]
Name: Philipo C. Hulse
Title: member

Subscribe and sworn to before me this 10th day of December 2008.

[Signature]
Notary Public

My Commission Expires: 7/16/2011



APPENDIX 7
TAYLOR CARRIE TIF REDEVELOPMENT PLAN
EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS



9769 OLIVE BLVD
ST LOUIS, MO 63132
TEL: 314 989 1504
FAX: 314 989 1513

December 8, 2008

Mr. Phil Hulse & Mr. Mike Clark
Green Street Properties
8235 Forsyth Boulevard
Suite 305
St. Louis, MO 63105

Re: Proposed Taylor Carrie TIF project, St. Louis, Missouri

Dear Phil Hulse and Mike Clark:

The purpose of this letter is to evidence Reliance Bank's preliminary commitment to provide financing for your proposed project involving the redevelopment of certain real property into commercial uses in the Taylor Carrie TIF in the City of St. Louis, Missouri (the "Project"). This correspondence is intended as a preliminary expression of the Bank's interest in this Project, and the potential funding of this Project is subject to several contingencies, including the review of customary due diligence, the issuance of the necessary tax increment financing by the City of St. Louis, and the review and approval of the Bank's Loan Committee, acting in its sole subjective discretion.

As we have discussed, financing of the Project would not be feasible without the assistance of tax increment financing. Therefore, please be advised that we are excited to provide financing for the Project should the City of St. Louis issue the necessary tax increment financing.

Should you have any questions, please do not hesitate to call.

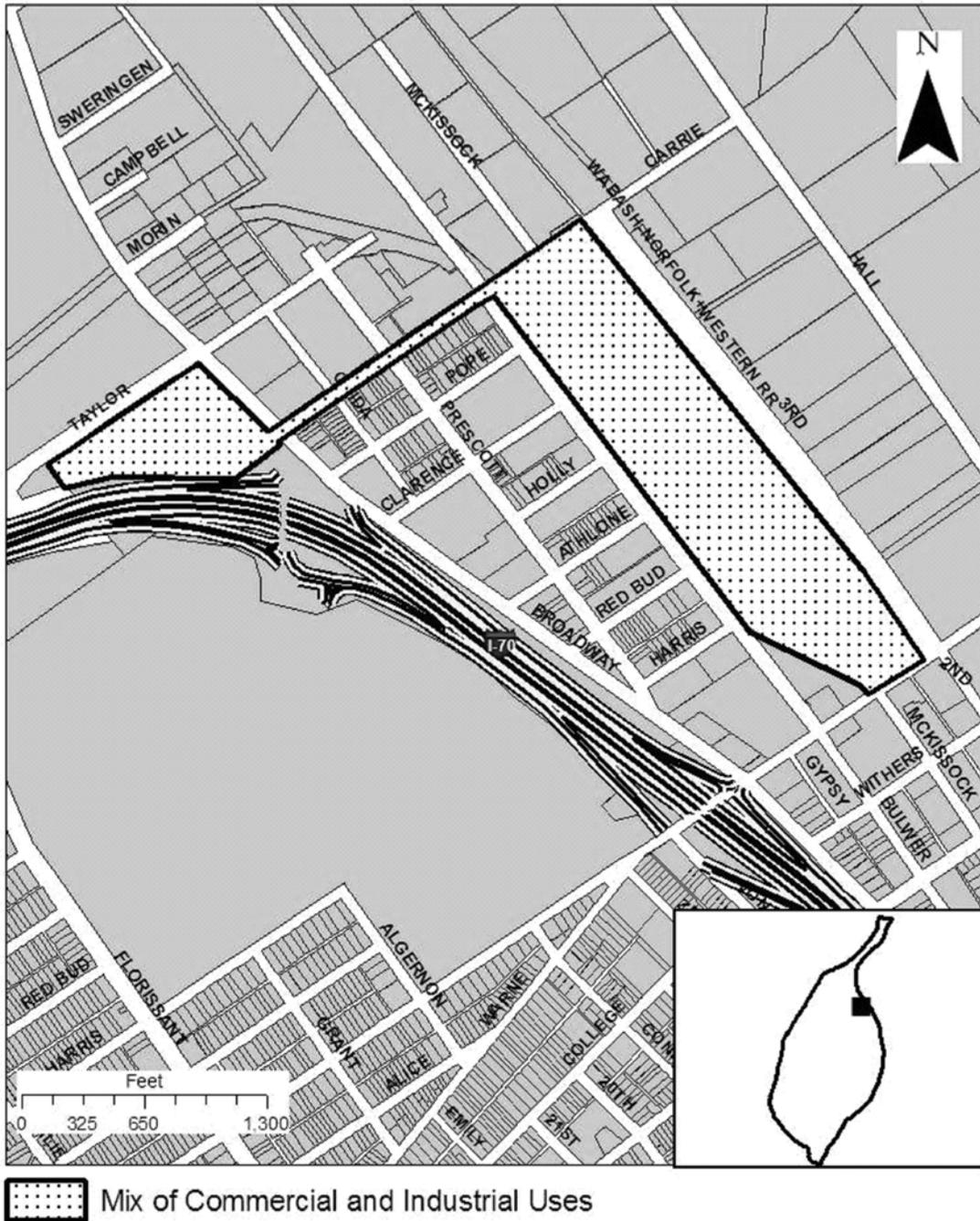
Sincerely,

A handwritten signature in black ink, appearing to read "Scott Von Rohr".

Scott Von Rohr
Vice President

APPENDIX 8
TAYLOR CARRIE TIF REDEVELOPMENT PLAN

GENERAL LAND USES TO APPLY



Approved: June 9, 2009