

1 **BOARD BILL # 182**

INTRODUCED BY ALDERMAN RODDY

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3 An Ordinance recommended by the Board of Estimate and Apportionment authorizing
4 The City of St. Louis, Missouri to issue its Taxable Industrial Development Revenue Bonds
5 (Square, Inc. Project), Series 2015, in a principal amount of not to exceed \$3,000,000 for the
6 purpose of providing funds to pay the costs of acquiring certain equipment for an industrial
7 development project in the City; approving a plan for such project; authorizing and directing the
8 Mayor and the Comptroller to execute certain documents related thereto; and authorizing and
9 directing the taking of other actions and approval and execution of other documents as are
10 necessary or desirable to carry out and comply with the intent hereof.

11 **WHEREAS**, The City of St. Louis, Missouri, a constitutional charter city and political
12 subdivision of the State of Missouri (the “City”), is authorized and empowered pursuant to the
13 provisions of Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through
14 100.200, inclusive, of the Revised Statutes of Missouri, as amended, and its charter (collectively,
15 the “Act”), to purchase, construct, extend, equip and improve certain projects (as defined in the
16 Act) and to issue industrial development revenue bonds for the purpose of providing funds to
17 pay the costs of such projects and to lease or otherwise dispose of such projects to private
18 persons or corporations for manufacturing, commercial, office industry, warehousing and
19 industrial development purposes upon such terms and conditions as the City deems advisable;
20 and

21 **WHEREAS**, the Act requires the City to prepare a plan in connection with any industrial
22 development project undertaken pursuant to the Act; and

23 **WHEREAS**, a Plan for an Industrial Development Project (the “Plan”) has been
24 prepared in the form of **Exhibit A** attached hereto; and

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1 **WHEREAS**, notice of the City’s consideration of the Plan has been given in the manner
2 required by the Act, and the Board of Aldermen has fairly and duly considered all comments
3 submitted to the Board of Aldermen regarding the proposed Plan; and

4 **WHEREAS**, the Board of Aldermen hereby finds and determines that it is desirable for
5 the improvement of the economic welfare and development of the City and within the public
6 purposes of the Act that the City: (1) approve the Plan pursuant to the Act, (2) issue its Taxable
7 Industrial Development Revenue Bonds (Square, Inc. Project), Series 2015, in a principal
8 amount not to exceed \$3,000,000 (the “Bonds”), for the purpose of acquiring and installing
9 certain personal property (the “Project Equipment”) at facilities in the City operated by Square,
10 Inc. (the “Company”), (3) lease the Project Equipment to the Company, and (4) enter into a
11 Performance Agreement with the Company, under which the Company will make certain
12 payments to the City in consideration of the City issuing the Bonds; and

13 **WHEREAS**, the Board of Aldermen further finds and determines that it is necessary and
14 desirable in connection with the issuance of the Bonds that the City enter into certain documents,
15 and that the City take certain other actions as herein provided;

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

17 **SECTION ONE.** The Board of Aldermen hereby approves the Plan for an Industrial
18 Development Project attached as Exhibit A hereto.

19 **SECTION TWO.** The City is hereby authorized to provide for the acquisition and
20 installation of the Project Equipment, in the manner and as more particularly described in the
21 Indenture and the Equipment Lease hereinafter authorized.

22 **SECTION THREE.** The City is hereby authorized to issue and sell the Bonds as
23 described in the recitals hereto for the purpose of providing funds to pay the costs of the Project
24 Equipment. The Bonds shall be issued and secured pursuant to the Indenture described below
25 and shall have such terms, provisions, covenants and agreements as are set forth in the Indenture.

1 **SECTION FOUR.** The Bonds and the interest thereon shall be limited obligations of the
2 City, payable solely out of certain payments, revenues and receipts derived by the City from the
3 Equipment Lease described below. Such payments, revenues and receipts shall be pledged and
4 assigned to the trustee named in the Indenture (the “Trustee”), as security for the payment of the
5 Bonds as provided in the Indenture. The Bonds and the interest thereon shall not constitute
6 general obligations of the City, the State of Missouri (the “State”) or any political subdivision
7 thereof, and neither the City nor the State shall be liable thereon. The Bonds shall not constitute
8 an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or
9 restriction, and are not payable in any manner by taxation.

10 **SECTION FIVE.** The Board of Aldermen hereby approves the following documents
11 (collectively, the “City Documents”), in substantially the forms presented to the Board of
12 Aldermen and attached to this Ordinance:

13 (a) Trust Indenture (the “Indenture”) between the City and the Trustee
14 attached hereto as **Exhibit B**, pursuant to which the Bonds will be issued and the City
15 will pledge the Project Equipment and assign certain of the payments, revenues and
16 receipts received pursuant to the Equipment Lease to the Trustee for the benefit and
17 security of the owners of the Bonds upon the terms and conditions as set forth in the
18 Indenture;

19 (b) Equipment Lease (the “Equipment Lease”) between the City and the
20 Company attached hereto as **Exhibit C**, pursuant to which the City will lease the Project
21 Equipment to the Company pursuant to the terms and conditions therein, in consideration
22 of rental payments by the Company that will be sufficient to pay the principal of and
23 interest on the Bonds;

24 (c) Bond Purchase Agreement between the City and the Company attached
25 hereto as **Exhibit D**, pursuant to which the Company will purchase the Bonds from the
26 City; and

1 (d) Performance Agreement between the City and the Company attached as
2 **Exhibit E**, pursuant to which the Company will make certain payments in lieu of taxes in
3 consideration of the issuance of the Bonds.

4 The Mayor or his designated representatives and the Comptroller or her designated
5 representatives, with the advice and concurrence of the City Counselor and after approval by the
6 Board of Estimate and Apportionment, are hereby further authorized and directed to make any
7 changes to the documents, agreements and instruments approved and authorized by this
8 Ordinance as may be consistent with the intent of this Ordinance and necessary and appropriate
9 in order to carry out the matters herein authorized, with no further action of the Board of
10 Aldermen necessary to authorize such changes made by the Mayor or his designated
11 representatives or the Comptroller or her designated representatives.

12 **SECTION SIX.** The Mayor and the Comptroller are hereby authorized and directed to
13 execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of
14 and as the act and deed of the City in the manner provided in the Indenture. The Mayor and the
15 Comptroller are hereby authorized and directed to execute the City Documents and such other
16 documents, certificates and instruments as may be necessary or desirable to carry out and comply
17 with the intent of this Ordinance, for and on behalf of and as the act and deed of the City. The
18 City Register is hereby authorized to attest to and affix the seal of the City to the Bonds and the
19 City Documents and such other documents, certificates and instruments as may be necessary or
20 desirable to carry out and comply with the intent of this Ordinance.

21 **SECTION SEVEN.** The City shall, and the officials, agents and employees of the City
22 are hereby authorized to, take such further action, and execute such other documents, certificates
23 and instruments as may be necessary or desirable to carry out and comply with the intent of this
24 Ordinance and to carry out, comply with and perform the duties of the City with respect to the
25 Bonds and the City Documents. The Mayor and the Comptroller are hereby authorized, through
26 the term of the Equipment Lease, to execute all documents or take any other actions on behalf of

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1 the City (including documents pertaining to the transfer of the Project Equipment) as may be
2 required to carry out and comply with the intent of this Ordinance, the Indenture and the
3 Equipment Lease.

4 **SECTION EIGHT.** If any section, subsection, sentence, clause, phrase or portion of
5 this ordinance is held to be invalid or unconstitutional, or unlawful for any reason, by any court
6 of competent jurisdiction, such portion shall be deemed and is hereby declared to be a separate,
7 distinct and independent provision of this Ordinance, and such holding or holdings shall not
8 affect the validity of the remaining portions of this Ordinance.

9 **SECTION NINE.** After adoption of this Ordinance by the Board of Aldermen, this
10 Ordinance shall become effective on the 30th day after its approval by the Mayor or adoption
11 over his veto.

EXHIBIT A

PLAN FOR INDUSTRIAL DEVELOPMENT

EXHIBIT B
FORM OF INDENTURE

EXHIBIT C
FORM OF EQUIPMENT LEASE

EXHIBIT D
FORM OF BOND PURCHASE AGREEMENT

EXHIBIT E
FORM OF PERFORMANCE AGREEMENT