BOARD BILL # 278 **INTRODUCED BY ALDERWOMAN MARLENE DAVIS**

AN ORDINANCE RECOMMENDED BY THE BOARD OF ESTIMATE AND APPORTIONMENT AMENDING ORDINANCE NO. 67060 PERTAINING TO THE ISSUANCE AND DELIVERY OF TAX INCREMENT REVENUE NOTES FOR THE GRAND CENTER REDEVELOPMENT PROJECT AND AUTHORIZING A FIRST SUPPLEMENTAL TRUST INDENTURE AND NOTE PURCHASE AGREEMENT RELATING THERETO; PRESCRIBING OTHER MATTERS RELATING THERETO; AND CONTAINING A SEVERABILITY CLAUSE AND AN EMERGENCY CLAUSE.

WHEREAS, the City is authorized and empowered under 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"*** or the ***"TIF Act"***), to issue bonds, notes or other obligations for the purpose of providing funds to finance the costs of certain redevelopment projects and to pay certain costs related to the issuance of such bonds, notes or other obligations; and

WHEREAS, the Mayor (the ***"Mayor"***) approved Ordinance No. 65703 on December 2, 2002, which (i) designated a Redevelopment Area known as the Grand Center Redevelopment Area, as further described in Exhibit A attached thereto (the ***"Redevelopment Area"***), (ii) approved a plan for redevelopment titled "Tax Increment Blighting Analysis and Redevelopment Plan" dated August 2, 2002, as amended (as may be further amended, the ***"Redevelopment Plan"***), (iii) approved a series of Redevelopment Projects (collectively, the ***"Redevelopment Projects"***) with respect thereto, (iv) adopted tax increment financing for the Redevelopment Area, and (v) established the Special Allocation Fund (as defined in the Redevelopment Plan); and

WHEREAS, Grand Center, Inc., a Missouri nonprofit corporation (the ***"Developer"***), in response to the solicitation of proposals for redevelopment of the Redevelopment Area, submitted its proposal dated June 28, 2002 (the ***"Redevelopment Proposal"***); and

WHEREAS, pursuant to Ordinance No. 65857, approved by the Mayor on February 25, 2003,

the Board of Aldermen (the ***"Board of Aldermen"***) has (i) affirmed the approval and adoption of the Redevelopment Plan, Redevelopment Projects and the designation of the Redevelopment Area, and (ii) authorized the City to enter into the Redevelopment Agreement dated April 24, 2003 (as amended from time to time, the ***"Redevelopment Agreement"***) between the City and the Developer, whereby the Developer agreed to carry out the Redevelopment Plan with respect to the Redevelopment Area; and

WHEREAS, on March 22, 2006 the Mayor approved Ordinance No. 67060, which authorized the issuance of certain tax increment revenue notes for the purposes of financing implementation of the Redevelopment Plan pursuant to a Trust Indenture dated as of November 1, 2006 (the "***Original Indenture***"), between the City and UMB Bank, N.A., as trustee (the "***Trustee***"); and

WHEREAS, the City now desires to amend the Original Indenture by entering into a First Supplemental Trust Indenture between the City and the Trustee in substantially the form of **Exhibit A** hereto (the "***First Supplemental Indenture***"), which authorizes the issuance of certain Series 2008A Notes, Subordinate A Notes and Series 2008B Notes (as defined therein); and

WHEREAS, the City desires to provide for the terms of the sale of the Series 2008A Notes by entering into the Note Purchase Agreement among the City, the Developer and U.S. Bank National Association, as purchaser, in substantially the form of **Exhibit B** hereto (the "***Note Purchase Agreement***"); and

WHEREAS, in accordance with the Redevelopment Agreement the Developer has entered into a Parcel Development Agreement dated September 14, 2006 (as amended, the ***"Parcel Development Agreement"***) with Saint Louis University, a Missouri benevolent corporation (the ***"Sub-Developer"***), which provides for the Sub-Developer to carry out the Authorized Project (as defined in the Parcel Development Agreement) and, upon completion of such Authorized Project, for the City to issue TIF Obligations (as defined in the Redevelopment Agreement) to provide reimbursement of the Sub-Developer for Reimbursable Redevelopment Project Costs in an amount not to exceed the Authorized Project Allocation (as defined in the Parcel Development Agreement); and

WHEREAS, to the extent that the Parcel Development Agreement is amended to increase the

amount of payment or reimbursement from Sub-Developer to Developer (the ***"Developer Fee"***) and the City's Board of Estimate and Apportionment consents to such amendment to the Parcel Development Agreement in accordance with the Redevelopment Agreement, the amount of such increase in the Developer Fee up to a maximum amount of TWO HUNDRED AND EIGHTY THOUSAND DOLLARS ($280,000) ("***Development Fee Amount***") shall be held in escrow by UMB Bank, N.A., as escrow agent ("***Escrow Agent***"), pursuant to an escrow agreement entered into among the City, the Developer and the Escrow Agent (the "***Escrow Agreement***"), which Escrow Agreement shall provide that the Development Fee Amount will be released as follows: (i) to the Developer if, on or before May 2, 2009, any of the following occur: (a) the closing of the purchase of the City's property located at 634 North Grand Avenue, or (b) the Developer provides evidence satisfactory to the City of a binding agreement for purchase of the City's property located at 634 North Grand Avenue, or (c) the Board of Estimate and Apportionment consents to release of all or a portion of the Development Fee Amount; or (ii) to the City if none of the foregoing events occur on or before May 2, 2009; 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 to enact this Ordinance to amend Ordinance No. 67060, in order to authorize the issuance and delivery of the Series 2008A Notes, Subordinate A Notes and Series 2008B Notes, to be issued and secured pursuant to the terms of the Original Indenture and the First Supplemental Indenture.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF ST. LOUIS, MISSOURI AS FOLLOWS:

SECTION ONE. Authorization and Execution of Documents. The Board of Aldermen hereby approves, and the Mayor and Comptroller of the City are hereby authorized and directed to execute and deliver, on behalf of the City, the First Supplemental Indenture, in substantially the form attached hereto as **Exhibit A**, and the City Register is hereby authorized and directed to attest to the First Supplemental Indenture and to affix the seal of the City thereto. The First Supplemental Indenture shall be in substantially the form attached, with such changes therein as shall be approved by said Mayor and

Comptroller executing the same and as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

SECTION TWO. Sale and Issuance of the Notes. The Board of Aldermen hereby finds and determines that it is necessary and advisable and in the best interest of the City and of its inhabitants to issue its Series 2008A Notes, Subordinate A Notes and Series 2008B Notes, as permitted by the TIF Act and in accordance with the terms of the Original Indenture and First Supplemental Indenture. In connection with the sale of the Series 2008A Notes, the Board of Aldermen hereby approves, and the Mayor and Comptroller of the City are hereby authorized and directed to execute and deliver, on behalf of the City, the Note Purchase Agreement, in substantially the form attached hereto as **Exhibit B**. The Note Purchase Agreement shall be in substantially the form attached, with such changes therein as shall be approved by said Mayor and Comptroller executing the same and as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

SECTION THREE. Further Authority. 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, including the execution and delivery of the Escrow Agreement, 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 FOUR. Severability. 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 FIVE. Governing Law. This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

SECTION SIX. Emergency Clause. This being an ordinance affecting the appropriation of money, it is hereby declared to be an emergency measure within the meaning of Sections 19 and 20 of Article 14 of the Charter of the City of St. Louis and therefore shall become effective immediately upon its passage and approval by the Mayor.

EXHIBIT A

FORM OF FIRST SUPPLEMENTAL TRUST INDENTURE

(Attached hereto.)

EXHIBIT B

FORM OF NOTE PURCHASE AGREEMENT

(Attached hereto.)