

## *St. Louis City Ordinance 64603*

FLOOR SUBSTITUTE

BOARD BILL NO. [98] 222

INTRODUCED BY ALDERMAN Marit Clark

AN ORDINANCE AUTHORIZING AND DIRECTING THE ISSUANCE AND DELIVERY OF NOT TO EXCEED \$3,600,000.00 AGGREGATE PRINCIPAL AMOUNT OF TAX INCREMENT REVENUE NOTES (CHOUTEAU/COMPTON REDEVELOPMENT AREA) OF THE CITY OF ST. LOUIS, MISSOURI, FOR THE PURPOSE OF FINANCING CERTAIN PROJECTS; PRESCRIBING THE FORM AND DETAILS OF SAID NOTES; AND PROVIDING FOR THE CREATION OF CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST ON SAID NOTES AS THEY BECOME DUE.

WHEREAS, the City of St. Louis, Missouri (the **City**), is a body corporate and political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of its charter, the Constitution and laws of the State of Missouri; and WHEREAS, Chouteau Compton L.L.C. (the **Developer**), is a Missouri limited liability company; and WHEREAS, the Tax Increment Financing Commission of the City of St. Louis, Missouri (the **TIF Commission**) was created by the City pursuant to Ordinance No. 62477 adopted on December 20, 1991, and said TIF Commission conducted a public hearing on July 29, 1998, and by motion, recommended approval of the Redevelopment Plan for the Chouteau/Compton Redevelopment Area, dated September 3, 1998 (the **Redevelopment Plan**), and the redevelopment project therein described (the **Redevelopment Project**); and WHEREAS, on December 4, 1998, the City adopted Ordinance No. 64522 (the **Approving Ordinance**) approving the Redevelopment Plan and the Redevelopment Project pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the **Act**); and WHEREAS, pursuant to the Approving Ordinance, the City designated that area legally described in the Redevelopment Plan as a **redevelopment area** as defined in Section 99.805(10) of the Act (the **Redevelopment Area**); and WHEREAS, the City has a responsibility to provide for the general health, safety and welfare for the Redevelopment Area; and WHEREAS, the City and the Developer desire to cooperate and to take the reasonable steps necessary to facilitate the prompt design, commencement and completion of certain improvements to the

Redevelopment Area including certain infrastructure improvements within the Redevelopment Area; and WHEREAS, pursuant to Ordinance No. \_\_\_\_\_ adopted by the City on \_\_\_\_\_, the City authorized the execution of a redevelopment agreement between the City and the Developer, setting forth the respective rights and obligations of the City and Developer with regard to the redevelopment of the Redevelopment Area (the **◆ Redevelopment Agreement◆**); and WHEREAS, the City intends to issue its Tax Increment Revenue Notes (the **◆ TIF Notes◆**), pursuant to the Act, in the original aggregate principal amount not to exceed \$3,600,000.00 to finance certain costs associated with the Redevelopment Project; and WHEREAS, the TIF Notes shall be issued in two series: one or more Taxable Tax Increment Revenue Notes in an aggregate principal amount not to exceed \$3,600,000 less the aggregate principal amount of the hereinafter described Tax - Exempt Tax Increment Revenue Note (the **◆ Taxable TIF Note(s)◆**); and a Tax - Exempt Tax Increment Revenue Note in an aggregate principal amount not to exceed \$700,000 (the **◆ Tax - Exempt TIF Note◆**); and WHEREAS, the City has determined that it is in the best interest of the City to sell the TIF Notes at a private sale, without advertisement, to one or more members of the Developer and/or to one or more affiliates of said members or of the Developer (individually or together, as the case may be, the **◆ Original Purchaser◆**), at a price equal to 100% of their respective face values; and WHEREAS, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants that the TIF Notes be issued and secured in the form and manner as hereinafter provided to provide funds for such purpose;

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

#### DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to the words and terms defined elsewhere in this Ordinance (the **◆ TIF Note Ordinance◆**), the following capitalized words and terms, as used in this TIF Note Ordinance, shall have the following meanings:

**◆ Act◆** means Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended.

**◆ Additional TIF Notes◆** means any additional parity TIF Notes issued pursuant to Section 206 of this TIF Note Ordinance.

◆ Approving Ordinance ◆ means Ordinance No. 64522 adopted by the City on December 4, 1998, pertaining to the approval of the Redevelopment Plan and designation of the Redevelopment Area.

◆ City ◆ means the City of St. Louis, Missouri, and its agents, successors or assigns.

◆ Comptroller ◆ means the Comptroller of the City.

◆ Deficiency ◆ means the difference between the interest and principal payment scheduled to be paid on a Payment Date and the amount then available in the Special Allocation Fund to satisfy the amount owed by the City.

◆ Developer ◆ means Chouteau Compton L.L.C., a Missouri limited liability company.

◆ Finance Director ◆ means an employee of the City designated by the Office of the Comptroller of the City.

◆ Government Obligations ◆ means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

◆ Maturity Date ◆ means that date specified in the TIF Notes, which date shall be no later than twenty-three (23) years after the date of the Approving Ordinance.

◆ Missouri Brownfield Redevelopment Program ◆ means the program providing incentives for funding the remediation of hazardous substance contamination at qualified sites under the auspices and direction of the Missouri Department of Natural Resources and the Missouri Department of Economic Development, and the issuance and sale of State Income Tax Credits pursuant thereto.

◆ Net Proceeds ◆ on deposit in the Special Allocation Fund are those payments in lieu of taxes (as that term is defined in section 99.805(7) of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the Redevelopment Area over and above the certified total initial equalized assessed value (as that term is used and described in sections 99.845.1 and 99.855 of the Act) of each such unit of property in the Redevelopment Area and as paid to the Treasurer by the St. Louis City Collector of Revenue during the term of the

Redevelopment Plan and the Redevelopment Project; and, subject to annual appropriation, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in section 99.805(12) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year 1997 and paid into the Special Allocation Fund, but excluding therefrom any taxes now or hereinafter excluded by such section of the Act.

◆Notes◆ or ◆TIF Notes◆ means the Taxable TIF Note(s) and the Tax - Exempt TIF Note of the City, in the aggregate principal amount not to exceed \$3,600,000 authorized and issued pursuant to this TIF Note Ordinance.

◆Original Purchaser◆ means one or more members of the Developer and/or one or more affiliates of said members or of the Developer, all as may be identified in the various TIF Notes.

◆Owner◆ when used with respect to the TIF Notes means the person or persons who presently is the holder of such TIF Notes.

◆Payment Dates◆ means each March 1 and September 1, commencing on September 1, 1999.

◆Redevelopment Agreement◆ means the Redevelopment Agreement between the City and Developer.

◆Redevelopment Area◆ means that area legally described as a redevelopment area in the Redevelopment Plan approved pursuant to the Approving Ordinance.

◆Redevelopment Plan◆ means the Redevelopment Plan for the Chouteau/Compton Redevelopment Area dated September 3, 1998, as amended.

◆Redevelopment Project◆ means the completion of the redevelopment project contemplated by the Redevelopment Plan and includes, in all events, the completion of the Public Projects and the Private Projects, all as more particularly described in the Redevelopment Agreement.

◆Redevelopment Project Costs◆ means those redevelopment project costs, as defined in the Act, that may be paid through tax increment financing and which the City has provided for under the Redevelopment Plan. In addition to the

foregoing, the amount of any discount applied by the Developer in the sale of State Income Tax Credits provided under the Missouri Brownfield Redevelopment Program shall be included in Redevelopment Project Costs.

◆Register◆ means the Register of the City.

◆Special Allocation Fund◆ means the fund by that name created by Section 401 of this TIF Note Ordinance.

◆State◆ means the State of Missouri.

◆State Income Tax Credits◆ means the Missouri State income tax credits issued in respect of those components of the work performed in the Redevelopment Area for remediation of hazardous substances qualifying under the Missouri Brownfield Redevelopment Program.

◆Tax - Exempt TIF Note◆ means the Tax - Exempt Tax Increment Revenue Note (Chouteau/Compton Redevelopment Area), Series B, of the City, in an aggregate principal amount not to exceed \$700,000, interest on which shall be excludable from gross income of the owners thereof for purposes of federal income taxation, authorized and issued pursuant to this TIF Note Ordinance.

◆Taxable TIF Note(s)◆ means the Taxable Tax Increment Revenue Note(s) (Chouteau/Compton Redevelopment Area), Series A, of the City, in an aggregate principal amount not to exceed \$3,600,000 less the aggregate principal amount of the Tax - Exempt TIF Note, authorized and issued pursuant to this TIF Note Ordinance.

◆TIF Note Ordinance◆ means this Ordinance as from time to time amended in accordance with the terms hereof.

◆Treasurer◆ means the Treasurer of the City.

## AUTHORIZATION OF TIF NOTES

Section 201. Authorization of TIF Notes. There is hereby authorized and directed to be issued TIF Notes of the City in the aggregate principal amount not to exceed Three Million Six Hundred Thousand and 00/100 Dollars (\$3,600,000.00) for the purpose of paying a portion of those costs determined to be Redevelopment Project Costs in connection with the Redevelopment Plan, as provided in this TIF Note Ordinance. The TIF Notes shall be issued in

two series: one or more Taxable TIF Notes in an aggregate principal amount not to exceed \$3,600,000 less the aggregate principal amount of the Tax - Exempt TIF Note (the Taxable TIF Note(s)), interest on which shall be includable in the gross income of the owners thereof for purposes of federal income taxation, and a Tax - Exempt TIF Note in an aggregate principal amount not to exceed \$700,000 (the Tax - Exempt TIF Note), interest on which shall be excludable from the gross income of the owners thereof for the purposes of federal income taxation.

Section 202. Security for TIF Notes. The TIF Notes shall be a special limited obligation of the City payable solely from, and secured as to the payment of principal and interest by a pledge of the Net Proceeds deposited in the City's Special Allocation Fund. The taxing power of the City is not pledged to the payment of the TIF Notes either as to principal or interest. The TIF Notes shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. **THE OBLIGATIONS OF THE CITY WITH RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE TIF NOTES OR THE MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT HAS BEEN PAID IN FULL).**

Section 203. Description of TIF Notes. The Taxable TIF Note(s) shall be issued in an original principal sum not to exceed \$3,600,000 less the original principal sum of the Tax - Exempt TIF Note and shall provide for interest compounded annually and accruing on the unpaid principal at a rate equal to nine percent (9%) per annum. The Taxable TIF Note(s) shall be substantially in the form set forth in Section 301(a) hereof. The Taxable TIF Note(s) shall be dated the date of original delivery of the Taxable TIF Note(s), and shall become due on the Maturity Date. The Tax - Exempt TIF Note shall be issued in an original principal sum not to exceed \$700,000 and shall provide for interest compounded annually accruing on the unpaid principal at a rate equal to seven percent (7%) per annum and payable semi-annually. The Tax - Exempt TIF Note shall be substantially in the form set forth in Section 301(b) hereof. The Tax - Exempt TIF Note shall be dated the date of original delivery of the Tax - Exempt TIF Note, and shall become due on the Maturity Date.

Section 204. Method and Place of Payment of TIF Notes. The principal of and interest on the TIF Notes shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of debts due the United States of America.

Payment shall be made by the Comptroller at his/her offices on each Payment Date upon presentation of the applicable TIF Note by a duly authorized representative Owner. Upon payment of interest and principal and the notation upon the payment ledger of the applicable TIF Note, the City shall enter the amount paid and the outstanding balance on its books which shall be rebuttably presumptive evidence of the principal amount outstanding on such TIF Note.

Section 205. Transfer and Assignment. The TIF Notes are being issued to the Original Purchaser. The TIF Notes are only transferable or assignable to an accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, in which case the transfer or assignment shall only be made upon the terms and conditions that the City may, in its sole discretion, require. The TIF Notes may be transferred and exchanged only upon the records of the City. Upon surrender of a TIF Note at the principal office of the City, the City shall transfer or exchange such TIF Note for a new TIF Note or TIF Notes, which shall be (i) in denominations or multiples of Five Thousand Dollars (\$5000), and (ii) of the same Maturity and in the same aggregate principal amount outstanding as the TIF Note which was presented for transfer or exchange. The TIF Note presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the City, duly executed by the Original Purchaser thereof or by the Original Purchaser's duly authorized agent. Upon any transfer, exchange or assignment as provided in this Section 205, the transferor shall reimburse all of the reasonable out-of-pocket costs incurred by the Office of the Comptroller of the City in connection with the administration of such transfer, exchange or assignment.

Notwithstanding anything else contained herein, the Original Purchaser shall have the absolute right to transfer the TIF Note or TIF Notes, as appropriate, to the Developer or any affiliate of the Developer without the prior consent of the City.

Section 206. Authorization of Additional TIF Notes. Additional TIF Notes are hereby authorized as follows:

(a) Additional TIF Notes may be issued under and be equally and ratably secured by this TIF Note Ordinance on a parity with the TIF Notes and other Additional TIF Notes, at any time from time to time as determined by the City and on compliance with the conditions hereinafter provided in this Section, to

complete acquisition, construction, furnishing and equipping of the Redevelopment Project.

(b) Before any Additional TIF Notes shall be issued under the provisions of this Section, the City shall adopt an ordinance authorizing the issuance of such Additional TIF Notes and fixing the amount and terms thereof pursuant to an amendment to the Redevelopment Agreement.

(c) Such Additional TIF Notes may only be authorized and issued by the City upon the written consent of the Original Purchaser or its successors or assigns.

(d) Such Additional TIF Notes shall be executed substantially in the form and manner set forth in Section 301 below.

#### FORM OF TIF NOTES

##### Section 301. Form of TIF Notes.

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

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

CITY OF ST. LOUIS, MISSOURI,

TAXABLE TAX INCREMENT REVENUE NOTE

(CHOUTEAU/COMPTON REDEVELOPMENT AREA)

SERIES A

THE CITY OF ST. LOUIS, MISSOURI (◆City◆), on this \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_, for value received promises to pay to

\_\_\_\_\_, a \_\_\_\_\_, its successors and assigns (collectively the **Original Purchaser**) the principal sum set forth from time to time by endorsement of the Office of the Comptroller of the City on Exhibit A attached hereto, together with interest compounded annually at the rate of nine percent (9%) per annum on the outstanding balance hereof, calculated on the basis of a 365-day year and actual days elapsed from the date hereof to the earlier of: (i) the date of repayment, or (ii) \_\_\_\_\_, 20\_\_\_\_ (the **Maturity Date**). The schedule of endorsements attached hereto as Exhibit A shall evidence sums paid to the City by the Original Purchaser.

All payments of principal and interest by the City shall be from the Net Proceeds (as hereinafter defined) on deposit in the Special Allocation Fund created by Ordinance No. \_\_\_\_\_ passed and adopted by the City's Board of Aldermen on \_\_\_\_\_, \_\_\_\_ (the **TIF Note Ordinance**).

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

The Net Proceeds on deposit in the Special Allocation Fund are those payments in lieu of taxes (as that term is defined in section 99.805(7) of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the Redevelopment Area over and above the certified total initial equalized assessed value (as that term is used and described in sections 99.845.1 and 99.855 of the Act) of each such

unit of property in the Redevelopment Area and as paid to the Treasurer by the St. Louis City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project; and, subject to annual appropriation, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in section 99.805(12) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year 1997 and paid into the Special Allocation Fund, but excluding therefrom any taxes now or hereinafter excluded by such section of the Act. Net Proceeds do not include any such amount paid under protest until the protest is withdrawn or resolved against the taxpayer, nor do Net Proceeds include any sum received by the City which is the subject of a suit or other claim communicated to the City, which suit or claim challenges the collection of such sums.

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

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

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

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

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

(iv) If on any Payment Date the Net Proceeds in the Special Allocation Fund are in excess of the amount required to pay the scheduled semi-annual installment of principal plus accrued interest then due and owing, all excess Net Proceeds shall be applied by the City to the satisfaction of all outstanding Deficiencies under this Note and all other Notes executed and delivered pursuant to the Redevelopment Agreement, allocated prorata in accordance with the then outstanding principal balances thereof;

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

(vi) From and after March 1, 2005, this Note shall be subject to mandatory redemption without premium or penalty of all outstanding principal and accrued interest on any date specified in a written notice of such redemption election from the City to the Original Purchaser.

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

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

Reference is made to Ordinance No. \_\_\_\_\_ passed and adopted by the Board of Aldermen on \_\_\_\_\_, 199\_\_ (the  TIF Note Ordinance ) for a description of the covenants and agreements made by the City with respect to payment of Net Proceeds to pay this Note, the nature and extent of the security for this Note, the rights, duties and obligations of the City with respect hereto and, the rights of the holder hereof.

This Note may be prepaid at any time in whole or in part without premium or penalty at the option of the Owner.

The right to transfer, assign, or negotiate this Note shall be limited to transfer, assignment, or negotiation to any accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, in which case the transfer or assignment shall only be made upon the terms and conditions that the City may, in its sole discretion, require. Notwithstanding the foregoing sentence, however, this Note may be transferred at any time to the Developer or any affiliate of the Developer without the consent of the City. Upon any transfer, exchange or assignment, the transferor shall reimburse all of the reasonable out-of-pocket costs incurred by the Office of the Comptroller of the City in connection with the administration of such transfer, exchange or assignment.

This Note may be canceled by the City without further obligation to the holder or any other party in the event the Developer shall fail to deliver a Certificate of Commencement on or before July 1, 2000.

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

CITY OF ST. LOUIS, MISSOURI

By:  
Mayor

By:  
Comptroller

By:  
Treasurer

ATTEST:

Register

CERTIFICATE OF AUTHENTICATION

Date of Registration:

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

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

Schedule of Outstanding Principal and Payments on Principal

Transaction Date	Principal Amount Added to Note	Principal Payment	Total Outstanding Principal of Note	Finance Director Signature
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(b) Form of Tax - Exempt TIF Note, as originally issued upon transfer, exchange or substitution, EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN, THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO ANY ACCREDITED INVESTOR OR QUALIFIED INSTITUTIONAL INVESTOR, AS SUCH TERMS ARE COMMONLY DEFINED FROM TIME TO TIME BY APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND REGULATIONS.

CITY OF ST. LOUIS, MISSOURI,

TAX-EXEMPT TAX INCREMENT REVENUE NOTE

(CHOUTEAU/COMPTON REDEVELOPMENT AREA)

SERIES B

THE CITY OF ST. LOUIS, MISSOURI (◆City◆), on this \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_, for value received promises to pay to \_\_\_\_\_, a \_\_\_\_\_, its successors and assigns (collectively the ◆Original Purchaser◆) the principal sum set forth from time to time by endorsement of the Office of the Comptroller of the City on Exhibit A attached hereto, together with interest compounded annually at the rate of seven percent (7%) per annum on the outstanding balance hereof, calculated on the basis of a 365-day year and actual days elapsed from the date hereof to the earlier of: (i) the date of repayment, or (ii) \_\_\_\_\_, 20\_\_

(the **☐Maturity Date☐**). The schedule of endorsements attached hereto as Exhibit A shall evidence sums paid to the City by the Original Purchaser.

All payments of principal and interest by the City shall be from the Net Proceeds (as hereinafter defined) on deposit in the Special Allocation Fund created by Ordinance No. \_\_\_\_\_ passed and adopted by the City **☐**s Board of Aldermen on \_\_\_\_\_, \_\_\_\_ (the **☐TIF Note Ordinance☐**).

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

The Net Proceeds on deposit in the Special Allocation Fund are those payments in lieu of taxes (as that term is defined in section 99.805(7) of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the Redevelopment Area over and above the certified total initial equalized assessed value (as that term is used and described in sections 99.845.1 and 99.855 of the Act) of each such unit of property in the Redevelopment Area and as paid to the Treasurer by the St. Louis City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project; and, subject to annual appropriation, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in section 99.805(12) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic

activities within the Redevelopment Area in the calendar year 1997 and paid into the Special Allocation Fund, but excluding therefrom any taxes now or hereinafter excluded by such section of the Act. Net Proceeds do not include any such amount paid under protest until the protest is withdrawn or resolved against the taxpayer, nor do Net Proceeds include any sum received by the City which is the subject of a suit or other claim communicated to the City, which suit or claim challenges the collection of such sums.

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

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

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

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

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

(iv) If on any Payment Date the Net Proceeds in the Special Allocation Fund are in excess of the amount required to pay the scheduled semi-annual installment of principal plus accrued interest then due and owing, all excess Net Proceeds shall be applied by the City to the satisfaction of all outstanding Deficiencies under this Note and all other Notes executed and delivered

pursuant to the Redevelopment Agreement, allocated prorata in accordance with the then outstanding principal balances thereof;

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

(vi) From and after March 1, 2005, this Note shall be subject to mandatory redemption without premium or penalty of all outstanding principal and accrued interest on any date specified in a written notice of such redemption election from the City to the Original Purchaser.

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

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

Reference is made to Ordinance No. \_\_\_\_\_ passed and adopted by the Board of Aldermen on \_\_\_\_\_, 199\_\_ (the  TIF Note Ordinance ) for a description of the covenants and agreements made by the City with respect to payment of Net Proceeds to pay this Note, the nature and extent of the security for this Note, the rights, duties and obligations of the City with respect hereto and, the rights of the holder hereof.

This Note may be prepaid at any time in whole or in part without premium or penalty at the option of the Owner.

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

in it is sole discretion, require. Notwithstanding the foregoing sentence, however, this Note may be transferred at any time to the Developer or any affiliate of the Developer without the consent of the City. Upon any transfer, exchange or assignment, the transferor shall reimburse all of the reasonable out-of-pocket costs incurred by the Office of the Comptroller of the City in connection with the administration of such transfer, exchange or assignment.

This Note may be canceled by the City without further obligation to the holder or any other party in the event the Developer shall fail to deliver a Certificate of Commencement on or before July 1, 2000.

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

CITY OF ST. LOUIS, MISSOURI

By:  
Mayor

By:  
Comptroller

By:  
Treasurer

ATTEST:

Register

CERTIFICATE OF AUTHENTICATION

Date of Registration:

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

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

Schedule of Outstanding Principal and Payments on Principal

Transaction Date	Principal Amount Added to Note	Principal Payment	Total Outstanding Principal of Note	Finance Director Signature
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## ESTABLISHMENT OF FUNDS

Section 401. Creation of Funds and Accounts. There is hereby created and ordered to be established in the treasury of the City the following separate funds and accounts:

(a) Chouteau/Compton Special Allocation Fund of the City of St. Louis (the **Special Allocation Fund**), and within the Special Allocation Fund, a PILOT Account and an Economic Activity Tax Account.

(b) Project Fund for Redevelopment Project Costs and within the Project Fund, a Project Account and a Cost of Issuance Account.

Section 402. Administration of Funds. The funds established in Section 401 hereof shall be maintained and administered by the City solely for the purposes and in the manner as provided in this TIF Note Ordinance so long as any of the TIF Notes remains outstanding hereunder.

## PAYMENT OF TIF NOTES

Section 501. Special Allocation Fund. Pursuant to the Act and this TIF Note Ordinance, the Treasurer shall deposit all Net Proceeds into the Special Allocation Fund.

Section 502. Application of Moneys in the Special Allocation Fund. So long as any of the TIF Notes remain outstanding, the Finance Director shall, on Payment Dates administer and allocate the moneys held in the PILOT Account and, subject to annual appropriation by the City, the Economic Activity Tax Account as follows:

(a) Payment of Administrative Expenses. The City shall have the right to reimburse itself for administrative expenses incurred by the Office of the Comptroller of the City in connection with the TIF Notes in an aggregate

amount equal to two-tenths of one percent (.2%) of the outstanding principal balance of the TIF Notes, not to exceed \$7,200.00 per annum.

(b) Payment of TIF Notes. There shall first be paid to the Owner an amount equal to the interest and principal then due pursuant to Schedule 1 of the TIF Notes.

(c) Payment of Deficiency. There shall next be paid to the Owner amounts owed on all outstanding Deficiencies.

(d) Prepayment of TIF Note. From and after March 1, 2005, at the City's sole discretion, the City may prepay the entire principal amount owed on the TIF Notes without premium or penalty. The Owner may cause prepayment of the entire principal amount owed on the TIF Notes at any time without premium or penalty.

(e) Payment on Maturity Date. If not repaid in full sooner, the entire outstanding balance of the TIF Notes together with all interest thereon, shall be paid on the Maturity Date, but only to the extent that Net Proceeds are available in or then due to the Special Allocation Fund as of the Maturity Date. The City shall have no further obligations under this TIF Note Ordinance or the TIF Notes after the Maturity Date.

(f) Separate Base Years for all Taxes. The City shall maintain separate base year calculations for each type of tax included in the PILOT Account and the Economic Activity Tax Account.

All moneys remaining in the Special Allocation Fund after the Maturity Date shall be treated as "Surplus" as defined in the Act, and distributed in the manner provided by law.

Section 503. Application of Moneys in the Project Fund. Moneys in the Project Account shall be used for the sole purpose of paying Project Costs incurred by the City pursuant to the Redevelopment Agreement and Redevelopment Plan, and moneys in the Costs of Issuance Account shall be used for the sole purpose of paying the costs and expenses incident to the issuance of the TIF Notes. Withdrawals from the Project Fund shall be made only when authorized by the Board of Public Service and only on duly authorized and executed warrants or vouchers therefor. After all costs incurred in connection with the issuance of the TIF Notes have been paid, but in no event later than the Maturity Date, the City shall transfer all moneys remaining in the Costs of Issuance Account to the

Project Account. After all Project Costs incurred by the City pursuant to the Redevelopment Agreement and Redevelopment Plan have been paid, but in no event later than the Maturity Date, the City shall, on the next succeeding Payment Date transfer any surplus remaining in the Project Account to the Comptroller for payment on the TIF Notes pursuant to Section 502(b) hereof.

Section 504. Levy and Collection of Net Proceeds. The City hereby ratifies and confirms its obligation to levy and collect Net Proceeds pursuant to the Act for deposit in the Special Allocation Fund for the purpose of paying the TIF Notes.

The Net Proceeds shall be determined, collected and applied in the manner provided by law for the period through the Maturity Date. After the Maturity Date, all Net Proceeds for any subsequent period shall cease and all property in the Redevelopment Area shall be subject to assessments and payment of all ad valorem taxes based on the actual value of the real property and the standard assessment ratio then in use for similar property by the St. Louis City Assessor.

The Net Proceeds shall be deposited in the Special Allocation Fund, shall be kept separate and apart from all other funds of the City and shall be used solely as provided in the Act and this TIF Note Ordinance.

Section 505. Remedies. The provisions of the TIF Note Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the City and the Owner. The Owner shall have the right:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of the Owner against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this TIF Note Ordinance or by the constitution and laws of the State of Missouri;

(b) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owner.

Section 506. Limitation on Rights of Owner. The Owner secured hereby shall not have any right in any manner whatever by its action to affect, disturb or

prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided.

Section 507. Remedies Cumulative. No remedy conferred herein upon the Owner is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of the Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owner by this TIF Note Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by the Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to the Owner, then, and in every such case, the City and the Owner shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owner shall continue as if no such suit, action or other proceedings had been brought or taken.

## DEPOSIT AND INVESTMENT OF MONEYS

Section 601. Deposits of Moneys. Cash moneys in each of the funds and accounts created by and referred to in this TIF Note Ordinance shall be deposited in a bank or banks located in the State having combined capital, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000.00) and which is a member of the Federal Deposit Insurance Corporation, and all such bank deposits shall be continuously and adequately secured by the banks holding such deposits as provided by the laws of the State.

Section 602. Investment of Moneys. Moneys held in any fund or account referred to in the TIF Note Ordinance shall be invested by the City pursuant to the direction of the City in Government Obligations or in time or demand deposits or in certificates of deposit issued by any bank having combined capital, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000.00) but only to the extent such time or demand deposits or certificates of deposit are fully insured by the Federal Deposit Insurance Corporation; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed

for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund or account.

## MISCELLANEOUS PROVISIONS

Section 701. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of principal or interest on the TIF Notes is a Saturday, a Sunday or a legal holiday in the State of Missouri, then payment of principal or interest need not be made on such date but may be made on the next succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

Section 702. Notices, Consents and Other Instruments. Any notice, consent, request, direction, approval, objection or other instrument required by this TIF Note Ordinance to be signed and executed by the Owner of the TIF Notes may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owner in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of the TIF Notes, if made in the following manner, shall be sufficient for any of the purposes of this TIF Note Ordinance, and shall be conclusive in favor of the City with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of the TIF Notes, the amount or amounts and other identification of the TIF Notes, and the date of holding the same shall be proved by the registration books of the City.

Section 703. Execution of Documents. The City is hereby authorized to enter into and the Mayor, the Comptroller, the Treasurer, and the Register of the City are hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the TIF Notes and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this TIF Note Ordinance.

Section 704. Further Authority. The officers of the City, including the Mayor, the Treasurer, the Comptroller, the Finance Director and the Register, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this TIF Note Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instrument and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 705. Severability. If any section or other part of this TIF Note Ordinance, whether large or small, shall for any reason be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this TIF Note Ordinance.

Section 706. Governing Law. This TIF Note Ordinance shall be governed exclusively by and construed in accordance with the applicable internal laws of the State of Missouri.

Section 707. Private Sale. The Board of Aldermen of the City hereby declares that it is in the City's best interest to sell the TIF Notes at private sale since a public sale of the TIF Notes would cause additional expense to the City and since the condition of the current financial markets makes such a public sale not feasible or the best course of action for the City.

<b>Legislative History</b>				
<b>1ST READING</b>	<b>REF TO COMM</b>	<b>COMMITTEE</b>	<b>COMM SUB</b>	<b>COMM AMEND</b>
<b>2ND READING</b>	<b>FLOOR AMEND</b>	<b>FLOOR SUB</b>	<b>PERFECTN</b>	<b>PASSAGE</b>
<b>ORDINANCE</b>	<b>VETOED</b>		<b>VETO OVR</b>	
<b>64603</b>				