BOARD BILL NO. 236 INTRODUCED BY ALDERWOMAN MARLENE DAVIS

AN ORDINANCE APPROVING THE DEVELOPMENT PLAN FOR THE 634 NORTH GRAND 353 REDEVELOPMENT AREA SUBMITTED BY THE 634 REDEVELOPMENT CORPORATION (HEREINAFTER REFERRED TO AS THE "DEVELOPMENT"); CONFIRMING THE FINDING THAT THE AREA IS A BLIGHTED AREA WHICH SHOULD BE REDEVELOPED IN THE PUBLIC INTEREST; FINDING THAT SAID DEVELOPMENT PLAN IS IN THE PUBLIC INTEREST AND CONFORMS TO THE GENERAL PLAN FOR THE CITY; PROVIDING FOR TAX ABATEMENT; AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT ON BEHALF OF THE CITY OF ST. LOUIS WITH THE DEVELOPER; SETTING FORTH THE TERMS AND CONDITIONS OF SAID AGREEMENT; INCORPORATING BY REFERENCE CHAPTER 353, REVISED STATUTES OF MISSOURI, 2000, AS AMENDED AND CHAPTER 11.06 OF THE REVISED CODE OF THE CITY OF ST. LOUIS, AS AMENDED; AND CONTAINING A SEVERABILITY CLAUSE.

WHEREAS, the Board of Aldermen has by Ordinance Number ___, approved _____, found and designated a certain area of the City of St. Louis to be blighted within the meaning of, and as defined in, Chapter 353.020 of the Revised Statutes of Missouri, 2000 and Sections 11.06.010 and 11.06.020 of the Revised Code of the City of St. Louis, Missouri, legally and specifically described in Ordinance No. ____; and

WHEREAS, 634 Redevelopment Corporation did on November 17, 2015, duly submit a development plan (the "Development Plan") for the aforesaid blighted area in the City of St. Louis, Missouri; and

WHEREAS, 634 Redevelopment Corporation (hereinafter "Developer") is an urban redevelopment corporation formed and existing under Chapter 353, R.S.Mo. 2000, having been incorporated on November 12, 2015; and

WHEREAS, the Development Plan has been presented to and recommended by the Planning Commission of the City of St. Louis to this Board for review and approval; and

WHEREAS, a general plan has been prepared and is recognized and used as a guide for the general development of the City and the Planning Commission has advised this Board that the Plan conforms to said general plan; and

WHEREAS, this Board has duly considered the recommendation of the Planning Commission; and

WHEREAS, this Board is cognizant of the conditions which are imposed on the undertaking and carrying out of a redevelopment project, including those relating to prohibitions against discrimination because of race, color, creed, national origin, sex, marital status, age, sexual orientation or physical handicap; and

WHEREAS, there have been no improvements in the aforesaid blighted area that have caused the blighted character of said area to be altered or changed; and

WHEREAS, thereafter the Planning Commission did make an independent study and investigation of said Development Plan and thereafter on _____, ____ did submit to the Mayor and the Board of Aldermen a report recommending approval of the development; and

WHEREAS, the Development Plan for said blighted area was thereby found to be in full compliance with Chapter 11.06 of the Revised Code of the City of St. Louis, as amended, and all the procedures and requirements therein provided; and

WHEREAS, it was determined by the Planning Commission that the Development Plan is in the public interest and serves a public purpose;

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

SECTION ONE. The Redevelopment Area is that certain tract of land being described in Exhibit A attached hereto and incorporated herein by reference.

SECTION TWO. It is hereby determined, found and declared that the Development Plan, attached hereto as Exhibit B and incorporated herein by reference, submitted by the Developer for the redevelopment of the Redevelopment Area is in the public interest and as such is approved in accordance with provisions of this ordinance.

SECTION THREE. The Board of Aldermen has reviewed the previous designation of the Redevelopment Area as a blighted area and hereby finds and declares that said Redevelopment Area continues to be and is now a blighted area as defined in section 353.020, R.S.Mo. 2000, as amended and as set forth in Ordinance No. ____.

SECTION FOUR. The Mayor of the City of St. Louis shall be and is hereby authorized and directed to enter into and perform on behalf of the City, an agreement by and between said City and the Developer, its successors and assigns, in substantially the same form as set forth in Exhibit "C" (the "Development Agreement"), which Development Agreement, among other things, shall make provision for the conditions and limitations relating to the benefits of tax abatement pursuant to Section 353.110, R.S.Mo. 2000. In the event of any conflicts or differences between the provisions of the Development Plan and the Development Agreement hereinafter recited, the Development Agreement shall govern and said Development Plan shall be deemed to be amended accordingly.

SECTION FIVE. The Development Agreement, attached hereto as Exhibit "C", is incorporated by reference and made a part of this ordinance as if fully set forth herein.

SECTION SIX. The sections of this ordinance shall be severable. In the event any section of this ordinance is found by a court of competent jurisdiction to be invalid, the remaining sections of this ordinance are valid, unless the court finds the valid sections of this ordinance are so essentially and inseparably connected with, and so dependent upon, the void sections, that it cannot be presumed that the Board of Aldermen would have enacted the valid sections without the void ones; or unless the court finds that the valid sections, standing along, are incomplete and are incapable of being executed in accordance with the legislative intent. If any part of this ordinance regarding the rights of Developer is

found invalid or unconstitutional, Developer shall thereafter at its election have the right to be released from the Development Agreement herein contained.

SECTION SEVEN. The provisions of Chapter 353, R.S.Mo. 2000, and Ordinance No. ____, are incorporated herein by reference.

SECTION EIGHT. This ordinance shall be in full force and effect from and after its passage and approval according to law.

Exhibit A

Redevelopment Area

A tract of land in Block 1061 of the City of St. Louis, beginning at the Intersection of the East line of Grand Boulevard, with the South line of Samuel Shepard Drive (formerly Lucas Avenue); thence East along the South line of Samuel Shepard Drive, a distance of 315.06 feet to an angle point in said South line; thence continuing East along the South line of Samuel Shepard Drive (formerly Lucas Avenue) a distance of 108.22 feet to the Northwest corner of property conveyed to Robert and Natalie Duggan by deed recorded in Book 07102008 page 16 of the City of St. Louis Records; thence South along the West line of said Duggan property a distance of 142.56 feet to the Southwest corner thereof; thence East along the South line of said Duggan property a distance of 50 feet to the Southeast corner thereof; thence North along the East line of said Duggan property a distance of 142.56 feet to the South line of Samuel Shepard Drive (formerly Lucas Avenue); thence East along the South line of Samuel Shepard Drive (formerly Lucas Avenue) a distance of 60 feet to the West line of Theresa Avenue; thence South along the West line of Theresa Avenue a distance of 274.34 feet more or less to the North line of Washington Boulevard; thence West along the North line of Washington Boulevard a distance of 325 feet more or less to the East line of property conveyed to Third Baptist Church by deed recorded March 3, 1973 daily number 102; thence North along the East line of said Third Baptist Church property a distance of 160 feet more or less to the Northeast corner thereof and to the South line of property conveyed to TLG 634 N Grand LLC, by deed recorded in Book 12042013 page 219 of the City of St. Louis Records; thence West along the South line of said TLG 634 N Grand LLC a distance of 245 feet more or less to the Southwest corner of said TLG 634 N Grand LLC property and to the East line of Grand Boulevard; thence North along the East line of Grand Boulevard a distance of 129 feet 4 inches to the point of beginning.

Exhibit B

634 North Grand 353 Redevelopment Plan

634 North Grand
353 Redevelopment Plan

November 16, 2015

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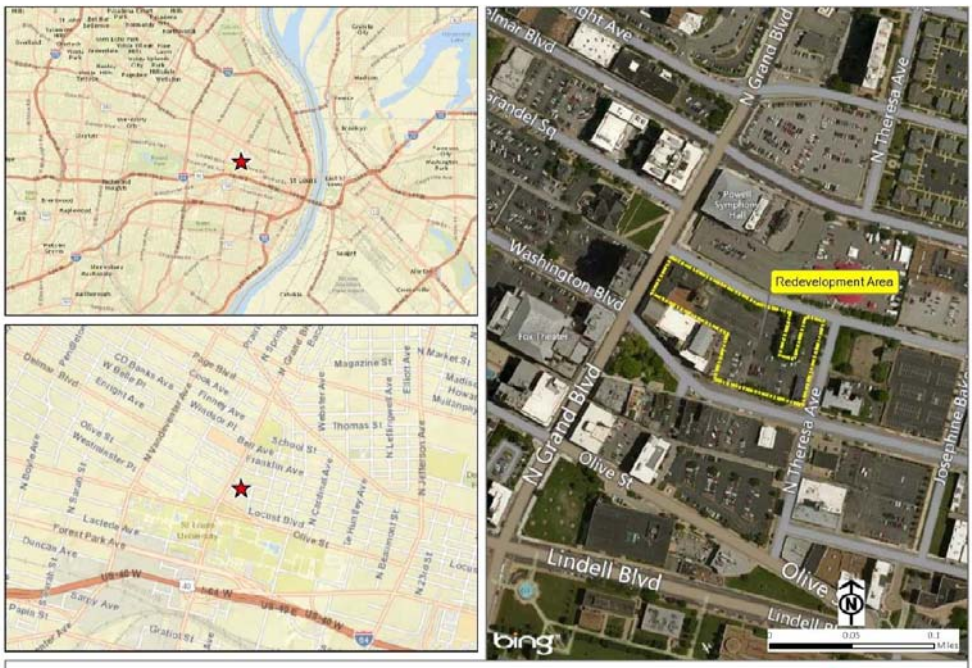
A. DESCRIPTION OF THE PROJECT

Overview of Redevelopment Area

The 634 North Grand 353 Redevelopment Area (the "Redevelopment Area") is located at the southeast corner of the intersection of North Grand Boulevard and Samuel Shepard Drive near the geographic center of the City of St. Louis. (**See *Site Location* map, below**). The Redevelopment Area, which contains approximately 2.5 acres, is generally bounded by Grand Boulevard on the west, Samuel Shepard Drive on the north, North Theresa Avenue on the east, and Washington Boulevard on the south.



SITE LOCATION
634 North Grand 353 Redevelopment Area
St. Louis, Missouri

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November 2015

Historical Development

The Redevelopment Area is located within the boundaries of the Grand Center or Midtown neighborhood in the City of St. Louis. Areas to the north, east, and south were incorporated into the City prior to the Civil War; the City boundary was extended west of Grand Avenue in 1876. The properties constituting the Redevelopment Area were occupied by large single family homes along Washington Avenue and Lucas (now Samuel Sheppard) Avenue by 1900. The Grand Avenue frontage was occupied by St. Vincent's Seminary from 1875 to 1911. The same structure was used by the forerunner to Rosati Kain High School after the closure of the seminary. This was a typical pattern for the neighborhood prior to 1910, with institutional uses along Grand Avenue and residential along the intersecting streets.

The Missouri Theatre Building was constructed in 1920 on the former seminary site as the neighborhood became a second downtown for the City, in large part due to the connection of the east-west streetcar lines with the Grand Avenue carline. Theatres, professional offices, shops and restaurants lined Grand in the years following the First World War. The Missouri Theatre was, at the time of its opening, the third largest motion picture theatre in the country with 3,600 seats and featured an early air conditioning system. The building above the auditorium level contained professional office space for doctors and dentists. Retail space was at street level to the north of the theatre lobby. The theatre prospered through the Roaring Twenties, the Depression, and World War II along with the neighboring Fox, Loew's Mid City, and St. Louis theatres.

By 1950 a number of the residential properties to the east of the Missouri Theatre Building had been razed for surface automobile parking lots. Even though the Midtown neighborhood was still an active theatre destination, the Missouri Theatre closed in 1957 and the auditorium structure was removed in 1959. The upper floors of the building remained a viable location for professional offices through the 1960's but, as the neighborhood declined, occupancy suffered. The City of St. Louis purchased the building in the late 1970's for offices of the City Health Department. The Health Department was forced to move out in the mid-2000s as the building became more and more obsolete. The most recent previous owner, Grand Center, Inc., purchased the building in 2012 and owned it until it was acquired by The Lawrence Group in early 2014.

Overview of Redevelopment Proposal

It is proposed that the redevelopment of the Area be undertaken in two phases. Phase 1 would involve the total renovation of the Missouri Theater building, which has been vacant since 2007. When the renovation is complete, Phase 1 is projected to include approximately 139 hotel rooms; 22,000 square feet of restaurant, bar and event space associated with the hotel; 24,000 square feet of office space; and 1,200 square feet of retail space. The total development cost for Phase 1 is projected to be approximately $53 million. Phase 1 is projected to start in early 2016 and be completed in the spring of 2017.

2014 AERIAL IMAGERY
634 North Grand 353 Redevelopment Area
St. Louis, Missouri

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November 2015

Phase 2 is comprised of the balance of the Area. It is projected to be a mixed use development containing apartments, office and retail space, and a new parking garage. As currently envisioned, the completed Phase 2 development will feature approximately 140 to 160 apartments, 5,000 to 15,000 square feet of office/retail space and a garage with roughly 500 parking spaces. The estimated development cost for Phase 2 is projected to be roughly $61 million in current dollars. The specific start date for Phase 2 has yet to be determined and will depend on property acquisition and market conditions.

The 634 Redevelopment Corporation is asking for an incentive package to accompany this new capital investment, which would include 100% tax abatement for real property for the first ten (10) years and 50% tax abatement for real property for the next thirteen (13) years. The Developer is also seeking a TIF for the Area that would include incremental real property taxes ("Payments in Lieu of Taxes" or "PILOTs") and part of the incremental tax revenue generated by economic activities within the Redevelopment Area ("Economic Activity Taxes" or "EATs"), including taxes on sales, hotel rooms, restaurant gross receipts, earnings/payroll, and utilities. The PILOT payments under TIF would begin after the 10 year tax abatement under Chapter 353, and continue for the

next 13 years.

This submission fully complies with the requirements of the Missouri Urban Redevelopment Corporations Law, Chapter 353, RSMo. 2000, as amended, and the Redevelopment Procedures for Blighted Areas in Sections 11.06.010 to 11.06.370 of the Revised Code of the City of St. Louis. The 634 Redevelopment Corporation (the "Developer") is a limited dividend redevelopment corporation as prescribed by Chapter 353 RSMo. 2000, as amended.

B. LEGAL DESCRIPTION

A tract of land in Block 1061 of the City of St. Louis, beginning at the Intersection of the East line of Grand Boulevard, with the South line of Samuel Shepard Drive (formerly Lucas Avenue); thence East along the South line of Samuel Shepard Drive, a distance of 315.06 feet to an angle point in said South line; thence continuing East along the South line of Samuel Shepard Drive (formerly Lucas Avenue) a distance of 108.22 feet to the Northwest corner of property conveyed to Robert and Natalie Duggan by deed recorded in Book 07102008 page 16 of the City of St. Louis Records; thence South along the West line of said Duggan property a distance of 142.56 feet to the Southwest corner thereof; thence East along the South line of said Duggan property a distance of 50 feet to the Southeast corner thereof; thence North along the East line of said Duggan property a distance of 142.56 feet to the South line of Samuel Shepard Drive (formerly Lucas Avenue); thence East along the South line of Samuel Shepard Drive (formerly Lucas Avenue) a distance of 60 feet to the West line of Theresa Avenue; thence South along the West line of Theresa Avenue a distance of 274.34 feet more or less to the North line of Washington Boulevard; thence West along the North line of Washington Boulevard a distance of 325 feet more or less to the East line of property conveyed to Third Baptist Church by deed recorded March 3, 1973 daily number 102; thence North along the East line of said Third Baptist Church property a distance of 160 feet more or less to the Northeast corner thereof and to the South line of property conveyed to TLG 634 N Grand LLC, by deed recorded in Book 12042013 page 219 of the City of St. Louis Records; thence West along the South line of said TLG 634 N Grand LLC a distance of 245 feet more or less to the Southwest corner of said TLG 634 N Grand LLC property and to the East line of Grand Boulevard; thence North along the East line of Grand Boulevard a distance of 129 feet 4 inches to the point of beginning.

C. REDEVELOPMENT STAGING

Phase 1

It is anticipated that the proposed improvements to the Missouri Theatre building will begin in early 2016, following approval of this Redevelopment Plan, and be completed in the spring of 2017.

Phase 2

The subsequent timing for the development of the remainder of the Redevelopment Area as a mixed-use project that is anticipated to include office, retail, residential and a parking garage, will proceed based on property acquisition and market conditions.

D. BUILDINGS AND IMPROVEMENTS TO BE DEMOLISHED

The approximately 5,400 square foot mixed-use building at the Redevelopment Area's southeast corner, currently owned by Third Baptist Church, is proposed for demolition during the second phase of the redevelopment project. The building is currently under an option contract to the Developer and the timing of this demolition has not yet been determined.

E. BUILDINGS NOT TO BE DEMOLISHED

The 157,000 square foot, twelve-story Missouri Theatre building will remain and undergo extensive renovation and remodeling.

F. STRUCTURES DESIGNATED FOR REHABILITATION

As part of this Redevelopment Plan the Missouri Theater building, which is located in Phase 1, will be rehabilitated. Improvements to the building will include:

- Restoration of the Missouri Theatre building's historic façade;
- Renovation and remodeling of the building's interior to accommodate modern office, hotel, restaurant, and retail tenants;
- Remodeling of the building's basement to create additional space for new bars and restaurants; and
- Construction of an additional story on the Missouri Theatre building with a roof deck and pool.

When the renovation is complete, Phase 1 is projected to include approximately 139 hotel rooms; 22,000 square feet of restaurant, bar and event space associated with the hotel, 24,000 square feet of office space, and 1,200 square feet of retail space.

G. NEW DEVELOPMENT

As part of the proposed Phase 2 development, the Redevelopment Plan proposes to construct apartments, office, and retail space and a new parking garage. As currently envisioned, the completed development will feature approximately 140 to 160 apartments, 5,000 to 15,000 square feet of office/retail space and a garage with roughly 500 parking spaces.

H. LANDSCAPING AND COMMUNITY FACILITY IMPROVEMENTS

New lighting, sidewalks and landscaping is proposed along Samuel Shepard Drive, Theresa Avenue and the portion of Washington Boulevard associated with Phase 2 development.

I. DEDICATIONS OF PROPERTY FOR PUBLIC PURPOSES

No property in the Redevelopment Area is proposed to be sold, donated, exchanged, or leased to the City, the St. Louis Board of Education, the Public Library Board, or any other public body.

J. DESCRIPTION OF PROPOSED ZONING CHANGES

The entire Redevelopment Area is currently zoned "H" (Area Commercial District). This zoning designation is appropriate for the uses intended to be developed on the site, so no changes to the zoning are proposed as part of this Redevelopment Plan.

K. STREET AND CIRCULATION CHANGES

No street or circulation changes are proposed as part of this Redevelopment Plan.

L. QUALITY AND CHARACTER OF EXISTING RESIDENTIAL DWELLINGS

There are currently no residential dwellings in the Redevelopment Area.

M. RELOCATION

No relocation is anticipated to be necessary to implement the Redevelopment Plan.

N. CHARACTER OF PROPOSED DWELLINGS

Approximately 140 to 160 apartments are to be constructed as part of the Phase 2 development. Anticipated amenities include a pool, fitness center and garage parking.

O. PROJECT FINANCE

The estimated total development cost for Phase1 is $53,443,326. The following table indicates how the development cost is to be financed on an interim and permanent basis. The financing for Phase 2 will be determined when the development program, schedule and costs are refined.

Proposed Interim Sources of Funds	
Federal Historic Tax Credits Proceeds	$7,195,881
State Historic Tax Credit Proceeds	$8,168,297
State Brownfields Tax Credit Proceeds	$2,100,000
Sales Proceeds—Adjacent Land	$1,750,000
Construction Loan – First Mortgage	$20,000,000
Mezzanine Loan	8,000,000
Deferred Developer Fee	$6,229,148
Total Interim Sources	**$53,443,326**

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Federal Historic Tax Credits Proceeds	$7,195,881
State Historic Tax Credit Proceeds	$8,168,297
State Brownfields Tax Credit Proceeds	$2,100,000
Sales Proceeds—Adjacent Land	$1,750,000
Construction Loan – First Mortgage	$20,000,000
Mezzanine Loan	$8,000,000
Deferred Developer Fee	$729,148
Proposed TIF Estimated Present Value	$4,830,518
Proposed City Contractual Pledge of 50% of Hotel	$669,482
Total Permanent Sources	**$53,443,326**

P. PERSONS ASSOCIATED WITH THE DEVELOPER

Redevelopment Corporation Ownership and Board of Directors

The Developer, 634 Redevelopment Corporation, is a Missouri Redevelopment Corporation organized under and pursuant to the requirements of the Urban Redevelopment Corporations Law (Chapter 353 RSMo. 2000, as amended) for the purpose of preparing and implementing the redevelopment of the Redevelopment Area.

Shareholders:	Steve Smith
Board of Directors:	Steve Smith Michael Blatz Peter Sebelski

Consultants

The following consultants and professional advisors have been or will be associated with the preparation and implementation of the Redevelopment Plan:

Thompson Coburn, LLP
William Kuehling and Barbara Geisman
One US Bank Plaza
St. Louis, Missouri 63101

Development Strategies, Inc.
Larry Marks and David Libonn
10 S. Broadway, Suite 1500
St. Louis, Missouri 63102

PARIC Corporation
906 Olive Street, Suite 230
St. Louis, MO 63146

Civil Design, Inc.
1552 S. 7th Street
St. Louis, MO 63104

KPFF Consulting Engineers
1630 Des Peres Road, Suite 100
St. Louis, MO 63131

Q. PROPERTY OWNED, OPTIONED, OR TO BE ACQUIRED BY THE DEVELOPER

The Developer currently owns six (6) of the Redevelopment Area's ten parcels and has option contracts on the other four from their current owner, Third Baptist Church. The six parcels owned by the Developer represents 70% of the land in the Redevelopment Area.

R. PROPOSED CITY ACTIONS AND PROPERTY TO BE ACQUIRED BY THE CITY

The Redevelopment Plan does not require the City of St. Louis to acquire any property to implement the Plan.

S. CITY-OWNED PROPERTY

There is no City-owned property in the Redevelopment Area.

T. EMPLOYMENT PRACTICES

The Developer, for itself, its successors, and assigns, admits the language, intent, and purpose regarding fair employment practices contained in Ordinance 51512 of the City of St. Louis and admits and agrees that said language, intent, and purpose apply to the Redevelopment Plan and that the Developer will be bound thereby, and Developer agrees that it will comply with the overall terms and spirit of said Ordinance.

U. NON-DISCRIMINATION AND M/WBE UTILIZATION

The Developer, for itself, its successors, and assigns, will at all times make all facilities in

the Redevelopment Area available to the general public without regard to race, marital status, color, age, religion, sexual orientation, familial status, disability, national origin or ancestry. This section shall not be construed as depriving the Developer or any owner of the customary rights incident to ownership, including the rights of management and the rights to establish rules and regulations for the use of the property or charges or rents therefore, but the Developer or owner shall not discriminate in the exercise of such rights on the basis of race, color, disability, religion, sex, marital status, or national origin. Any contracts or agreements entered into or resulting from the Redevelopment Plan shall observe Equal Employment Opportunity Guidelines. Furthermore, all activities under the control of the Developer in the Redevelopment Area will be subject to the Mayor's Executive Order #28 (as amended) regarding M/WBE participation in the Redevelopment Project and any subsequent Executive Order and/or City Ordinance that amend or replace Executive Order #28.

V. TAXES

Real property acquired by the Developer within the Redevelopment Area may be taxed in the manner provided in Section 353.110, RSMo. 2000, as amended, if requested by the Developer.

Necessity For Tax Abatement

Tax abatement is deemed an essential tool to be used to help make otherwise financially infeasible projects feasible, and to induce the Developer and others to invest in the Redevelopment Area in consideration of the high costs associated with the redevelopment, including site assembly, environmental mitigation and clean-up, site improvements and security.

Tax Abatement

Pursuant to Section 353.110.2, RSMo. 2000, as amended, and upon compliance with the terms and conditions of Section 11.06.300 and Section 11.06.310 of the Revised Code of the City of St. Louis, all real property within the Development Area acquired by the Developer or conveyed to its successors and assigns and used in accordance with the Development Plan, may at the discretion of the Developer be subject for a period of ten (10) years to assessment or payment of general ad valorem property taxes imposed by the City or State or any political subdivision thereof in the manner provided by Section 353.110.1, RSMo. 2000, as amended, and said Section is incorporated herein by reference. Such tax abatement shall commence upon the transfer of title of such real property to the Developer. For the next thirteen (13) years, ad valorem taxes upon such real property may at the discretion of the developer be measured by the assessed valuation thereof as determined by the assessor upon the basis of not to exceed Fifty percent (50%) of the true value of such real property so long as the real property is owned by the Developer or its successors and assigns. After a period totaling twenty-three years, such real property shall be subject to assessment and payment of all ad

valorem taxes, based on the full true value of the real property at that time; provided, that after the completion of the redevelopment Project, as authorized by law or ordinance whenever any urban redevelopment corporation shall elect to pay full taxes, or at the expiration of the period, such real property shall be owned and operated free from any of the conditions, restrictions or provisions of this chapter, and of any ordinance, rule or regulation adopted pursuant hereto, any other law limiting the right of domestic and foreign insurance companies to own and operate real estate to the contrary notwithstanding.

Formerly Tax Exempt Properties

In the event that any such real property in the Redevelopment Area is tax exempt immediately prior to its acquisition by the Developer, the Assessor of the City of St. Louis ("City Assessor") shall promptly assess such land, exclusive of improvements, at such valuation as shall conform to, but not exceed, the assessed valuation made during the preceding calendar year of other land, exclusive of improvements, adjacent thereto. The amount of such assessed valuation so fixed by the City Assessor shall not be increased by the City Assessor during the ten (10) year period next following the date upon which the Developer acquired such property so long as such real property is used in accordance with the Redevelopment Plan.

The Developer may sell or otherwise dispose of any or all of the real property, whether by foreclosure of any mortgage or other lien, through bankruptcy proceedings, by order of any court of competent jurisdiction, by voluntary transfer or otherwise, and so long as the purchaser of such real property shall continue to use, operate and maintain such real property in accordance with the Redevelopment Plan and the Parcel Development Agreement, and such real property shall continue to be entitled to tax abatement as described in Subsection V hereof; and this shall continue following any subsequent sales or other dispositions of such property by the Developer's successors and assigns until expiration of twenty-three (23) year period.

Breach or Withdrawal

If any portion of the real property within the Redevelopment Area is not used, operated, and maintained in accordance with the Redevelopment Plan and any amendments thereto, or in the event that the transferee does not desire the property to continue under the Redevelopment Plan and any amendments thereto, the Developer may, due to such a breach or the owner's desire for withdrawal, request that portion of the real property within the Redevelopment Area be declared not eligible for the benefits under Chapter 353, RSMo. 2000, as amended, Section 11.06 of the Revised Code of the City of St. Louis or the ordinances approving the Redevelopment Plan and the Redevelopment Agreement. If the Developer and the City's Board of Aldermen agree in writing to such a

request for an amendment from the Developer or the owner of such property to withdraw the property from the benefits of the aforementioned incentive programs, such portion of the real property shall be assessed for ad valorem taxes upon the full true value of the real property and may be owned and operated free from any of the conditions, restrictions, or provisions of Chapter 353, RSMo. 2000, as amended, Section 11.06 of the Revised Code of the City of St. Louis, and the ordinance approving the Redevelopment Plan, but will not constitute a withdrawal of other parcels of property from the benefits of Chapter 353, RSMo. 2000, as amended, Section 11.06 of the Revised Code of the City of St. Louis, or the ordinance approving the Redevelopment Plan and Redevelopment Agreement. A breach of any covenant or obligation imposed by Chapter 353, RSMo.2000, as amended, Section 11.06 of the Revised Code of the City of St. Louis, the Redevelopment Plan and the Redevelopment Agreement by any owner will not constitute a breach by any other owner in the Redevelopment Area, and each parcel of property will be treated separately for this purpose.

Payments in Lieu of Taxes

Notwithstanding the tax abatement provisions of Section 353.110, RSMo. 2000, as amended, the Developer agrees for itself and on behalf of any other redevelopment corporation or owner taxed pursuant to the provisions of Section V hereof, that it or any such other redevelopment corporation or any such other owner will pay the City with respect to property which it owns in the Redevelopment Area which receives the benefits of Section 353.110, RSMo. 2000, as amended, and its individualized Parcel Development Agreement, as above provided, any amount annually equal to the amount by which the actual tax on such property computed pursuant to Section 353.110, RSMo. 2000, as amended, is less than the tax which would have resulted in such taxable years on such property if the assessed value of such property and the improvements thereof remained the same as the assessed value of such property and improvements thereon at January 1, 2016, the first day of the year in which the Ordinance approving this Redevelopment Plan became effective. The obligation to make the foregoing payments shall constitute a lien against each such parcel as to which such obligation applies, enforceable by the City in the same manner as general real estate taxes, but neither the Developer, nor any of such urban redevelopment corporations nor any of such successors or assigns, nor any individual persons associated with the Developer, shall have any personal liability with respect thereto.

W. ANALYSIS OF ECONOMIC BENEFITS

The data in this section summarizes a series of analyses for projected private investments within the Redevelopment Area to illustrate the economic impact of this development on the City of St. Louis. The anticipated new investment pursuant to this Redevelopment Plan is estimated to be approximately $53 million for Phase 1 and $61 Million for Phase 2 in current dollars. City revenues for Phase 1 generated during the 23 years of the Redevelopment Plan will total an estimated $21.77 million in current dollars.

This is $21.61 million more than the existing development would generate during the same period (see Appendix II).

In addition, it is estimated that the proposed Phase 1 development will create the equivalent 600 one-year full time construction jobs and Phase 2 will create the equivalent of 670 one-year full time construction jobs distributed over the years of active development, at an estimated average annual salary of $50,000.

X. TERM OF PLAN

This Redevelopment Plan shall remain in full force and effect and shall be binding on the Developer and all landowners in the Redevelopment Area from the effective date of the ordinance approving this Redevelopment Plan and execution by the City of a Redevelopment Agreement to a date twenty-three (23) years thereafter. Tax abatement granted in accordance with this Redevelopment Plan that extend beyond such Redevelopment Plan's termination will survive such plan's termination.

Y. CONFORMANCE OF PRIOR PROJECT APPROVALS

The Developer proposes that the City of St. Louis shall, in the ordinances approving the Redevelopment Agreement by and between the City and the Developer for this Redevelopment Area, agree that it shall take any and all steps necessary to require that any Project previously approved by the City for any parcel within the Redevelopment Area under Chapters 99.300-99.660, 100.300-100.620 or 353.010-353.190 RSMo. 2000, as amended, including, but not limited to: Ordinance 68857 and any other previously approved redevelopment areas under Chapters 99, 100, or 353 located in whole or in part within the 634 North Grand Redevelopment Area or employing the incentives available under these Chapters, which has not secured a building permit from the City to proceed with construction as of the date of the ordinance approving the Redevelopment Plan and the Redevelopment Agreement, shall conform to the terms and conditions of the Redevelopment Plan as of the date of the approval of this Redevelopment Plan.

Z. SEVERABILITY

If any provision of this Redevelopment Plan is for any reason found to be unenforceable or inapplicable, the other provisions hereof will remain in full force and effect and in the same manner as if such unenforceable or inapplicable provision had never been contained in the Redevelopment Plan.

APPENDIX I

Individual Property Inventory

1

Grand
Grand
Sam Shepard
Washington
Theresa
11061000120
11061000130
11061000010
11061000020
11061000040
11061000090
11061000060
11061000070
11061000080
11061000050
Redevelopment Area Boundaries
0
50
100
Feet
N
PARCEL IDENTIFICATION
634 North Grand 353 Redevelopment Area
St. Louis, Missouri
DEVELOPMENT STRATEGIES®
November 2015

634 NORTH GRAND REDEVELOPMENT AREA
PROPERTY INVENTORY
November 2015

PARCEL ID	Address	Owner	Zoning	Area SF	Land Use	General Cond.	Bldg Cond	Year Built
10610000100	3520 DR SAMUEL T SHEPARD	TLG 634 N GRAND LLC	H	12,717	Surface Parking	Poor	N/A	N/A
10610000200	3514 DR SAMUEL T SHEPARD	TLG 634 N GRAND LLC	H	5,687	Surface Parking	Poor	N/A	N/A
10610000400	3500 DR SAMUEL T SHEPARD	THIRD BAP CH OF ST L	H	8,531	Surface Parking	Poor	N/A	N/A
10610000500	3501 WASHINGTON	THIRD BAP CH OF ST L	H	13,076	Mxd-Use Bldg	Fair	Fair	1965
10610000600	3511 WASHINGTON	TLG 634 N GRAND LLC	H	7,388	Surface Parking	Poor	N/A	N/A
10610000700	3519 WASHINGTON	TLG 634 N GRAND LLC	H	10,059	Surface Parking	Poor	N/A	N/A
10610000800	3517 WASHINGTON	THIRD BAP CH OF ST L	H	6,116	Surface Parking	Poor	N/A	N/A
10610000900	3525 WASHINGTON	THIRD BAP CH OF ST L	H	5,305	Surface Parking	Poor	N/A	N/A
10610001200	634 North Grand	TLG 634 N GRAND LLC	H	40,375	Office Bldg	Poor	Poor	1923
10610001300	3529 WASHINGTON	TLG 634 N GRAND LLC	H	1,152	Surface Parking	Poor	N/A	N/A
				110,406				
				2.53 Acres				

1

APPENDIX II

Economic Analysis

City Tax Revenue (353 Plan Approved)									
Year	PILOT/Real Estate Taxes*	Commercial Surcharge Taxes*	Personal Property Taxes*	Sales Taxes**	Convention & Tourism Taxes	Restaurant Gross Receipts Taxes	Earnings/ Payroll Taxes	Utility Taxes	TOTAL City Tax Revenue
1	$5,133	$464	$0	$198,700	$123,857	$19,260	$91,950	$29,005	$468,369
2	$5,133	$464	$4,816	$264,933	$165,142	$25,680	$103,294	$29,876	$599,337
3	$5,133	$464	$4,864	$331,166	$206,428	$32,100	$110,138	$30,772	$721,064
4	$5,133	$464	$4,912	$341,101	$212,621	$33,063	$113,442	$31,695	$742,431
5	$5,133	$464	$4,962	$351,334	$218,999	$34,055	$116,845	$32,646	$764,438
6	$5,133	$464	$5,011	$361,874	$225,569	$35,077	$120,350	$33,625	$787,104
7	$5,133	$464	$5,061	$372,730	$232,337	$36,129	$123,961	$34,634	$810,449
8	$5,133	$464	$5,112	$383,912	$239,307	$37,213	$127,680	$35,673	$834,493
9	$5,133	$464	$5,163	$395,429	$246,486	$38,329	$131,510	$36,743	$859,258
10	$5,133	$464	$5,215	$407,292	$253,880	$39,479	$135,455	$37,846	$884,764
11	$5,133	$7,014	$5,267	$419,511	$261,497	$40,663	$139,519	$38,981	$917,585
12	$5,133	$7,014	$5,319	$432,096	$269,342	$41,883	$143,704	$40,150	$944,643
13	$5,133	$7,238	$5,373	$445,059	$277,422	$43,140	$148,016	$41,355	$972,736
14	$5,133	$7,238	$5,426	$458,411	$285,745	$44,434	$152,456	$42,595	$1,001,439
15	$5,133	$7,469	$5,481	$472,163	$294,317	$45,767	$157,030	$43,873	$1,031,234
16	$5,133	$7,469	$5,535	$486,328	$303,147	$47,140	$161,741	$45,190	$1,061,683
17	$5,133	$7,707	$5,591	$500,918	$312,241	$48,554	$166,593	$46,545	$1,093,283
18	$5,133	$7,707	$5,647	$515,946	$321,608	$50,011	$171,591	$47,942	$1,125,584
19	$5,133	$7,952	$5,703	$531,424	$331,256	$51,511	$176,738	$49,380	$1,159,099
20	$5,133	$7,952	$5,760	$547,367	$341,194	$53,056	$182,041	$50,861	$1,193,365
21	$5,133	$8,205	$5,818	$563,788	$351,430	$54,648	$187,502	$52,387	$1,228,911
22	$5,133	$8,205	$5,876	$580,702	$361,973	$56,288	$193,127	$53,959	$1,265,262
23	$5,133	$8,467	$5,935	$598,123	$372,832	$57,976	$198,921	$55,577	$1,302,964
Total	$118,068	$104,277	$117,846	$9,960,309	$6,208,630	$965,455	$3,353,600	$941,311	$21,769,496

**Property Taxes include the City's General Fund levy ONLY*

***Sales Tax includes levies for the City General Fund, Capital Improvements, City Transportation, City Recreation, and Sports & Entertainment ONLY*

City Tax Revenue (353 Plan NOT Approved)									
Year	PILOT/Real Estate Taxes*	Commercial Surcharge Taxes*	Personal Property Taxes*	Sales Taxes**	Convention & Tourism Taxes	Restaurant Gross Receipts Taxes	Earnings/ Payroll Taxes	Utility Taxes	TOTAL City Tax Revenue
1	$5,133	$464	-	-	-	-	-	$500	$6,097
2	$5,236	$473	-	-	-	-	-	$510	$6,219
3	$5,236	$473	-	-	-	-	-	$520	$6,229
4	$5,341	$483	-	-	-	-	-	$531	$6,354
5	$5,341	$483	-	-	-	-	-	$541	$6,365
6	$5,448	$492	-	-	-	-	-	$552	$6,492
7	$5,448	$492	-	-	-	-	-	$563	$6,503
8	$5,557	$502	-	-	-	-	-	$574	$6,633
9	$5,557	$502	-	-	-	-	-	$586	$6,644
10	$5,668	$512	-	-	-	-	-	$598	$6,777
11	$5,668	$512	-	-	-	-	-	$609	$6,789
12	$5,781	$522	-	-	-	-	-	$622	$6,925
13	$5,781	$522	-	-	-	-	-	$634	$6,938
14	$5,897	$533	-	-	-	-	-	$647	$7,076
15	$5,897	$533	-	-	-	-	-	$660	$7,089
16	$6,015	$543	-	-	-	-	-	$673	$7,231
17	$6,015	$543	-	-	-	-	-	$686	$7,244
18	$6,135	$554	-	-	-	-	-	$700	$7,389
19	$6,135	$554	-	-	-	-	-	$714	$7,403
20	$6,258	$565	-	-	-	-	-	$728	$7,551
21	$6,258	$565	-	-	-	-	-	$743	$7,566
22	$6,383	$577	-	-	-	-	-	$758	$7,717
23	$6,383	$577	-	-	-	-	-	$773	$7,732
Total	**$132,566**	**$11,978**	**$0**	**$0**	**$0**	**$0**	**$0**	**$14,422**	**$158,967**

**Property Taxes include the City's General Fund levy ONLY*

***Sales Tax includes levies for the City General Fund, Capital Improvements, City Transportation, City Recreation, and Sports & Entertainment ONLY*

APPENDIX III

Urban Redevelopment Corporation Certificate

STATE OF MISSOURI

Jason Kander
Secretary of State

CERTIFICATE OF AGREEMENT OR ASSOCIATION

WHEREAS, Articles of Agreement or Association of

634 Redevelopment Corporation
RD001393915

have been received and filed in the Office of the Secretary of State, which Articles, in all respects, comply with the requirements of Urban Redevelopment Corporations Law.

NOW, THEREFORE, I, JASON KANDER, Secretary of State of the State of Missouri, do by virtue of the authority vested in me by law, do hereby certify and declare this entity a body corporate, duly organized this date and that it is entitled to all rights and privileges granted corporations organized under the Urban Redevelopment Corporations Law.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 12th day of November, 2015.

Secretary of State

Exhibit C

Redevelopment Agreement

THIS DEVELOPMENT AGREEMENT is entered into this ___ day of _____, 20___ (hereinafter referred to as the "Agreement"), between the CITY OF ST.LOUIS, MISSOURI (hereinafter referred to as the "City") and 634 REDEVELOPMENT CORPORATION, and its successors and assigns (hereinafter referred to as "Developer"), for the implementation of the Development Plan (hereinafter defined), submitted by Developer for the area set forth in Exhibit A, attached hereto and incorporated herein by reference.

WHEREAS, the Board of Aldermen of the City of St. Louis has enacted into law Ordinance No. ____ of which this Agreement is a part, approving the Development Plan, submitted by Developer, attached hereto as Exhibit B (herein referred to as the "Development Plan") and has determined that the clearance, redevelopment, replanning, rehabilitation and reconstruction provided for herein are necessary for the public convenience and necessity and that the approval of the Development Plan and the activities related hereto are necessary for the preservation of the public peace, health, safety, morals, and welfare; and

WHEREAS, the ordinance of which this Agreement is a part requires the undertaking and performance upon part of the Developer and of the City of various obligations; and

WHEREAS, said ordinance directs the Mayor of the City to enter into an Agreement with Developer providing for execution of the Development Plan; and

WHEREAS, 634 REDEVELOPMENT CORPORATION, the Developer, is a corporation formed under Chapter 353 of the Revised Statutes of Missouri, 2000, as amended, and is now in good standing in the State of Missouri.

NOW, THEREFORE, the City and the Developer, for the consideration and mutual covenants hereinafter contained and described under the conditions set forth, do hereby agree as follows:

1. Items Incorporated into this Agreement. The provisions of Chapter 353 of the Revised Statutes of Missouri, 2000, as amended (the "Urban Redevelopment Corporations Law"), up to and including the date of the passage and approval of the ordinance of which this Agreement is a part, the provisions of St. Louis Ordinance No. _____ and the Development Plan are hereby incorporated by reference and made in whole a part of this Agreement.

2. Legal Description. The development area (hereinafter referred to as the "Redevelopment Area") is as set forth in Exhibit A attached hereto and incorporated herein by reference.

3. Developer Control. Developer shall have complete and exclusive control over the construction of the Development and the management and operation of the Development, in accordance with the provisions of the Development Plan.

4. Development Stages. The staging of the Development shall be as set forth in Section C of the Development Plan.

5. Development Timing. The Development shall be implemented as follows: The first development project, including completion of construction and substantial rent-up of the facility, will be completed within five (5) years following execution of this Agreement.

6. Delays/Extensions. Notwithstanding anything to the contrary contained herein, in the Development Plan or in the ordinance approving the Development Plan and of which this Agreement is a part, the times within which development activities are to commence or be completed will automatically be extended appropriately as a result of occurrences, events, actions or inactions not within the reasonable control of Developer, including without limitation construction delays, delays caused by competent legal authority, strikes, lock-outs, labor disputes, riots, fire, or other casualties, tornadoes, acts of God, acts of public enemy, accidents, governmental restrictions, unanticipated or unusual site conditions, priority regarding acquisition of or use of materials, litigation challenging the rights of Developer and/or the City, or other litigation involving the exercise by Developer of eminent domain to acquire the Redevelopment Area or in connection with any condemnation suite by Developer for acquisition of the Development Area or any part thereof, delays caused by the City, County, State or Federal governments or any failure to obtain requisite permits and/or approvals of City Boards, departments and commissions within the projected time frame.

7. Notice of Delay. Developer shall provide written notice to the City of such delay prior to the end of the period, or extension thereof, in which such action was to have been taken or completed. Said notice shall explain in detail the reason for such delay and the estimated date by which such action will be performed or commenced.

8. Extensions. In addition to any extension pursuant to Section 6 of this Agreement, and upon written request, from Developer, the City may grant extensions to time periods in which certain activities are to be undertaken by Developer.

9. Performance for Benefit of City. In the event Developer shall fail to meet any time limits, as extended, for commencement or completion of any activity, or performance of other obligations, the City, and only the City, may take the actions set forth in Section 10 and Section 20 of this Agreement, and no third parties shall have any rights or claims with respect to such failure.

10. Breach and Compliance. In the event of substantial noncompliance with this Agreement or the Development Plan, written notice of same may be delivered to Developer by the Mayor, and if Developer, after receipt of such notice, shall not have corrected such substantial noncompliance within forty-five (45) days after receipt of said notice (unless the time for such correction is further extended by the Board of Public Service upon written petition of Developer), or, in the case of alleged substantial noncompliance which cannot reasonably be corrected within forty-five (45) days, if Developer, after receipt of such notice shall have not commenced and continued to diligently pursue the correction of such noncompliance, then the Mayor may, in his discretion, petition the Board of Public Service to cancel, void and terminate this Agreement and all rights of the Developer hereunder in whole or in part.

If the Mayor does so petition the Board of Public Service, notice of said petition shall be given to Developer by the City. No sooner than fifteen (15) days after notice of said petition is given to the Developer, the Board of Public Service shall hold a hearing on the petition, following which it may, at its option, but only if it finds that there was such substantial noncompliance and that Developer has failed to timely cure same, or to timely commence and diligently pursue a cure of same, as the case may be, cancel, void, and terminate this Agreement and all rights of Developer hereunder in whole or in part.

11. Building Maintenance. After acquisition of any portion of the Redevelopment Area, Developer shall maintain or cause to be maintained the acquired property, and any such adjacent public property in the Redevelopment Area that is required under the ordinances of the City to be maintained by an adjacent property owner, in a good state of repair commensurate with the building code and ordinances of the City. After acquisition of any portion of the Redevelopment Area, Developer shall be obligated to secure the acquired buildings until commencement of rehabilitation or reconstruction.

12. Developer's Compliance with City Procedures. Developer shall obtain all necessary permits and approvals as prescribed by law and be subject to all lawful inspections and perform such necessary acts as are required under the ordinances of the City, including the ordinance of which this Agreement is a part. Approval of necessary permits by the City shall not be unreasonably withheld.

13. City Access to Development Project. After acquisition of any portion of the Redevelopment Area, Developer shall cooperate and permit access to such portion of the Redevelopment Area and the development projects for the acts, representatives, or other officials of the City during business hours and upon reasonable notice.

14. City Actions. The City agrees to cooperate with Developer in carrying out the Development Plan and this Agreement and with due diligence will perform each and every act required of it under the Development Plan and this Agreement.

15. Tax Abatement. (a) Pursuant to Section 353.110.2, R.S. Mo. 2000 and upon compliance with the terms and conditions of Section 11.06.300 and Section 11.06.310 of the Revised Code of the City of St. Louis, 1980, all real property within the Development Area, acquired by the Developer or conveyed to its successors and assigns as set forth in Subsection 15(c) hereof and used in accordance with the Development Plan, shall be subject for a period of ten (10) years or such lesser period as the Developer may determine from time to time with respect to any one or more parcels within the Development area, to assessment or payment of general ad valorem property taxes imposed by the City or State or any political subdivision thereof in the manner provided by Section 353.110.1, R.S.Mo. 2000, and said Section is incorporated herein by reference. Such tax abatement shall commence on January 1st of the year following the transfer of title of such real property to the Developer. For the next thirteen (13) years or such lesser period as the Developer may determine from time to time with respect to any one or more parcels within the Development Area, ad valorem taxes upon such real property shall be measured by the assessed valuation thereof as determined by the assessor upon the basis of not to exceed fifty percent (50%) of the true value of such real property so long as the real property is owned by the Developer or its successors and assigns as set forth in Subsection 15(c) hereof and used in accordance with the Development Plan. After a period totaling twenty-three (23) years, or such lesser period as may have been determined by Developer as above provided, such real property shall be subject to assessment and payment of all ad valorem taxes, based on the full true value of the real property; provided, that after

the completion of the redevelopment project, as authorized by law or ordinance, whenever any urban redevelopment corporation shall elect to pay full taxes, or at the expiration of the period, such real property shall be owned and operated free from any of the conditions, restrictions or provisions of Section 353, R.S.Mo. 2000, and of any ordinance, rule or regulation adopted pursuant thereto, any other law limiting the right of domestic and foreign insurance companies to own and operate real estate to the contrary notwithstanding. Notwithstanding the foregoing, the Developer will work with the City to establish such amounts and terms of tax abatement in the individual Parcel Development Agreements (as such term is defined in the Development Plan) that are anticipated to be the minimum amounts necessary to provide for the feasibility of each development project within the Redevelopment Area. In the event that the Developer and the City agree that the full terms and amount of tax abatement authorized by this Section 15 are not needed for a particular development project, tax abatement may be granted by the Developer in such lesser amount and/or for such lesser time period as determined by the Developer. The Developer will work with the City to carefully evaluate individual development projects requesting tax abatement with the objective of establishing a level of tax abatement that is sufficient to enable project feasibility given development costs and risks without unnecessary negative impacts on the City's tax base. Further, tax abatement may be waived, at the Developer's option, in the event that TIF financing is utilized for a particular development.

(b) Formerly Tax Exempt Properties. In the event that any such real property is tax exempt immediately prior to its acquisition by the Developer, the Assessor of the City of St. Louis shall promptly assess such land, exclusive of improvements, at such valuation as shall conform, to but not exceed, the assessed valuation made during the preceding calendar year of other land, exclusive of improvements, adjacent thereto. The amount of such assessed valuation so fixed by the City Assessor shall not be increased by the City Assessor during the ten (10) year period next following the date upon which the Developer acquired such property or such lesser period as the Developer may determine from time to time with respect to any one or more parcels within the Development Area, so long as such real property is used in accordance with the Development Plan. If tax abatement granted by the Developer is for less than ten (10) years, the assessed valuation may be increased by the City Assessors at the end of such lesser tax abatement period.

(c) Conveyance of Tax Abatement. The Developer may sell or otherwise dispose of any or all of the real property acquired by it for the purposes of this project. In the event of the sale or other disposition of such property, whether by foreclosure of any mortgage or other lien, through bankruptcy proceedings, by order of any court of competent jurisdiction, by voluntary transfer or otherwise, and so long as the purchaser of such real property shall continue to use, operate and maintain such real property in accordance with the Development Plan, such real property shall continue to be entitled to tax abatement as described in Subsection 15(a) hereof (or Subsection 15(b) hereof), and any applicable Parcel Development Agreement (as such term is defined in the Development Plan), as the case may be; and this shall continue following any subsequent sales or other dispositions of such property by the Developer's successors and assigns until expiration of the period provided for in Section 353.110, R.S.Mo. 2000, or such lesser period as may be set forth in the applicable Parcel Development Agreement.

(d) Breach or Withdrawal. If any portion of the real property receiving tax abatement is not used, operated, and maintained in accordance with the Development Plan and any amendments thereto, or in the event that the transferee does not desire the property to continue under the Development Plan and any amendments thereto, such portion of the real property shall be assessed for ad valorem taxes upon the full true value of the real property and may be owned and operated free from any of the conditions, restrictions, or provisions of Chapter 353 of the Revised Statutes of Missouri, 2000, Section 11.06 of the Revised Code of the City of St. Louis, as amended, and the ordinance approving the Development Plan, but will not constitute a withdrawal of other parcels of property from the benefits of Chapter 353 of the Revised Statutes of Missouri, 2000, Section 11.06 of the Revised Code of the City of St. Louis, as amended, or said ordinance. A breach of any covenant or obligation imposed by Chapter 353 of the Revised Statutes of Missouri, 2000, or Section 11.06 of the Revised Code of the City of St. Louis, as amended, by any owner will not constitute a breach by any other owner in the Development Area, and each parcel of property will be treated separately for this purpose.

(e) Currently Exempt Property. Any real property within the Development Area which is otherwise exempt from property taxes pursuant to Section 137.100(5), R.S.Mo. 2000, shall not be affected by Section 15 hereof.

16. [RESERVED]

17. Earnings Limitation on Development. The net earnings of Developer from the Development shall be limited as provided in Section 353.030 of the Revised Statutes of Missouri, 2000, and Developer shall comply in all respects with the provisions of Section 353.030 of the Revised Statutes of Missouri, 2000. In addition to all other applicable laws, no dividend shall be distributed to the shareholders of the Developer unless and until a Certificate of Completion has been issued by the City.

18. Developer's Right to Transfer Property. Developer reserves the leave to sell, assign, transfer, lease, mortgage and convey any property or any part thereof or interest therein which it may acquire within the Redevelopment Area, to any person, corporation, partnership, public authority, joint venture or other entity, including, without limitation, any affiliate of Developer, either before or after completion of the development activities as herein provided. In the event of the conveyance, by sale or otherwise, of all or a part of the Redevelopment Area, or the Development thereon, within _____ (__) years of the effective date of the Ordinance approving the Development Plan and of which this Agreement is a part, Developer, its successors and assigns, covenants that it shall notify the City at least fifteen (15) days in advance of the closing of such sale or conveyance. All such transfers prior to completion of the acquisition, construction and completion of improvements to the Redevelopment Area, however, shall be subject to the requirements of the Development Plan, Ordinance No. _____, this Agreement and the ordinance of which this Agreement is a part, to complete the development activities called for in the Development Plan with respect to such property. All such transfers, before or after completion of the development activities, shall be subject to the covenants set forth in Section 26 of this Agreement.

19. Performance Bonding. Developer has demonstrated its financial capability to undertake and complete the acquisition of the Redevelopment area. The covenants of Developer contained herein are therefore deemed sufficient to assure acquisition of the Redevelopment Area and there shall be no

requirement on the part of the Developer for performance bond or other surety respecting acquisition of the Redevelopment Area or performances required by this Agreement.

20. Liquidated Damages. Notwithstanding the City's right to terminate for substantial non-compliance consistent with Paragraph 10 hereof, liquidated damages in the amount of Five Hundred Dollars ($500.00) for each month of delay may be assessed in favor of the City upon failure of Developer to complete the first development project within the time period provided for in Section 5 hereof, except as said time may be extended automatically hereunder or by the Board of Public Service for good cause and except as provided for in Section 6 and Section 28 of this Agreement, or upon failure of Developer to comply with the other requirements, covenants and conditions herein. Periods of less than one (1) month shall be assessed upon a basis proportionate to the number of days in the period. The City shall be entitled to enforce the terms of this provision by civil action.

21. Certificate of Completion. Developer shall request, in writing, after completion of any phase or any part of the Development, in accordance with the approved Development Plan, that the President of the Board of Public Service issue a Certificate of Completion on such phase or part of the Development. Upon receipt of such request, the President of the Board of Public Service shall conduct his investigations and if the President determines that Developer has substantially completed such phase or part of the Development in accordance with the Development Plan, the President shall issue a Certificate of Completion. However, in the event the President of the Board of Public Service determines that such phase or part of the Development has not been substantially completed in accordance with the approved Development Plan, the President shall forthwith transmit notice by certified or registered mail, return receipt requested, to Developer, stating the reasons for the finding that there has not been substantial compliance with the approved Development Plan. Failure to so notify Developer within thirty (30) days after receipt of said written request shall be deemed a Certificate of Completion. Developer shall have one hundred and eighty (180) days after the transmission of such notice by the President of the Board of Public Service (or such longer period as may be permitted under Section 6 hereof) within which to correct any such failure to substantially complete the Development, or the applicable phase or part thereof, in accordance with the Development Plan.

22. Relocation Benefits. Developer shall provide relocation benefits in accordance with Section 11.05 of the Revised Code of the City of St. Louis, as amended, unless the provisions of the Federal Uniform Relocation Act are applicable to such displacement and relocation, in which case the provisions of the Uniform Relocation Act shall apply.

23. Fair Employment Practices. The Developer, for itself, its successors and assigns, admits the language, intent, and purpose regarding fair employment practices contained in Ordinances Nos. 47957 and 57173 of the City of St. Louis and admits and agrees that said language, intent, and purposes apply to the Development Plan and that the Developer will be bound hereby, and Developer agrees that it will comply with the overall terms and spirit of said Ordinances.

24. Nondiscrimination in Facilities. The Developer, for itself, its successors, and assigns, will at all times make all facilities in the Redevelopment Area under Developer's control available to the general public without regard to race, marital status, color, age, religion, sexual orientation, familial status, disability, national origin or ancestry.

25. Modifications. The terms, conditions and provisions of this Agreement and the Development Plan can be neither substantially modified, nor eliminated, except by mutual agreement in writing between the City and Developer; provided, however, that this Agreement shall not be construed as an enlargement of the authority conferred upon the City by Chapter 353 of the Revised Statutes of Missouri, 2000, as amended.

26. Term of Use Limitation. Developer, for and on behalf of itself and its successors and assigns, covenants that the uses in the Redevelopment area shall be limited to the uses described in the Development Plan for a period of twenty-five (25) years from the effective date of the ordinance approving the Development Plan and of which this Agreement is a part.

27. Term of Agreement. This Agreement shall remain in full force and effect for twenty-five (25) years whereupon this Agreement shall terminate and become null and void, provided that all development as herein described has been completed and so certified by the Board of Aldermen. The right and privileges given to Developer by this Agreement and the duties and obligations imposed on Developer shall apply only to the development projects described in the Development Plan. Notwithstanding anything herein to the contrary, any liability of either party hereto to the other accruing prior to the termination of this Agreement and remaining unsatisfied at the time of such termination, shall continue and remain actionable beyond such date of termination subject to applicable statutes of limitations.

28. Invalidation or Cancellation of Agreement by Developer. In the event that Developer shall be prohibited from performing the covenants and agreements herein contained, or contained in the Development Plan, by the order of any governmental agency or other authority of competent jurisdiction, or Court, or in the event that Chapter 353 of the Revised Statutes of Missouri, 2000, as amended, or Ordinance No. _____, or the ordinance of which this Agreement is a part, shall be declared invalid in whole or in part, or shall be amended in whole or in part, and Developer is denied exercise of eminent domain available to Developer under said laws, or if Developer determines, in its sole discretion, that the acquisition costs of the Redevelopment Area will render the Development Plan economically infeasible, then and in any such event, Developer may cancel or terminate this Agreement by giving written notice of its intention to do so to the City within the sixty (60) day period after the event giving rise to such right.

29. Hold Harmless. Developer hereby agrees that, anything to the contrary herein notwithstanding, it will hold harmless and defend the City against any and all claims, loss, damage, injury and liability however caused, resulting from, arising out of or in any way connected with the matters set forth in the Development Plan, this Agreement, or the ordinance of which this Agreement is a part, other than claims, loss, damage, injury and liability caused by or contributed to, or resulting from any intentional acts or alleged intentional acts or negligence or alleged negligence on the part of any officer, employee or agent of the City.

30. Notice. Whenever notice other communication is called for herein to be given or is otherwise given pursuant hereto, it shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, addressed as follows:

If to the City:

Mayor, City of St. Louis:
City Hall
1200 Market St.
St. Louis, MO 63103

With a copy to:

City Counselor
City of St. Louis
City Hall
1200 Market St.
St. Louis, MO 63103

If to Developer:

634 Redevelopment Corporation
c/o Steve Smith, President
The Lawrence Group
319 North Fourth Street, Suite 1101
St. Louis, MO 63102

With a copy to:

William J. Kuehling
Thompson Coburn LLP
One US Bank Plaza
St. Louis, MO 63101

All said notices by mail shall be deemed given upon receipt. A change or addition of designated officers or addresses may be effected by providing written notice of such change or addition to the other party.

31. Severability. The provisions of this Agreement shall be deemed severable. In the event that any provision of this Agreement is found by a court of competent jurisdiction to be invalid, the remaining provisions of this Agreement shall remain valid unless the court finds that the valid provisions are so essentially and inseparably connected with and so dependent upon the invalid provision that it cannot be presumed. That the parties hereto would have agreed to the valid provisions of this Agreement, or unless the Court finds the valid provisions, standing alone, are incomplete and incapable of being executed in accordance with the contracting parties' intent. If any part of this Agreement regarding the rights or duties hereunder of Developer is found invalid, Developer shall thereafter at its election have the right to be released from this Agreement.

32. Headings. The headings and captions of this Agreement are for convenience and reference only, and in no way define, limit, or describe the scope or intent of the Agreement of any provision hereof.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the day and year first above written.

APPROVED AS TO FORM:

_____
COUNSELOR

CITY OF ST. LOUIS

By: _____
MAYOR

ATTEST:

_____
CITY CLERK

634 REDEVELOPMENT CORPORATION

By: _____
Title: _____

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

On this _____ day of _____, in the year 20____ before me _____, a Notary Public in and for said state, personally appeared _____, Mayor, known to me to be the person who executed this Development Agreement on behalf of the City of St. Louis and acknowledged to me that he or she executed the same for the purposes therein stated.

Subscribed and sworn to before me this ____ day of _____, 20___.

_____
Notary Public

My Commission Expires: _____

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

On this _____ day of _____, in the year 20____ before me appeared _____, to me personally known, who, being by me duly sworn did say that he is the _____ of **634 Redevelopment Corporation**, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said _____ acknowledged said instrument to be the free act and deed of said corporation and that said corporation has no corporate seal.

Subscribed and sworn to before me this ____ day of _____, 20___.

_____
Notary Public

My Commission Expires: _____