

1 **BOARD BILL #344 INTRODUCED BY ALDERWOMAN PHYLLIS YOUNG**

2 An Ordinance recommended by the Board of Estimate and Apportionment authorizing the City
3 of St. Louis, Missouri (the “City”), to assign Phase 1 Available Revenues and, upon payment and
4 cancellation of any Phase 2 Obligations, the Phase 2 Available Revenues, as those terms are
5 defined herein, for the purpose of paying the principal and interest on certain bonds to be issued
6 by the City or the Industrial Development Authority of the City; authorizing and directing the
7 taking of other actions and approval and execution of other documents as necessary or desirable
8 to carry out and comply with the intent hereof; and containing a severability clause.

9 **WHEREAS**, the City of St. Louis, Missouri (the “City”), is a body corporate and
10 political subdivision of the State of Missouri, duly created, organized and existing under and by
11 virtue of its charter, the Constitution and laws of the State of Missouri; and

12 **WHEREAS**, the Real Property Tax Increment Allocation Redevelopment Act, Sections
13 99.800 through 99.865, Revised Statutes of Missouri, (the “TIF Act” or “Act”), authorizes the
14 City to undertake redevelopment projects within designated areas of the City; and

15 **WHEREAS**, staff and consultants of the City and RNY, LLC, an affiliate of Railway
16 Exchange Building TIF, Inc., a Missouri corporation (the “Developer”), prepared a plan for
17 redevelopment titled “The Railway Exchange Building TIF Redevelopment Plan” dated
18 November 6, 2009, as may be amended from time to time (the “Redevelopment Plan”), for an
19 area containing multiple parcels in City Blocks 128 and 129 located generally between 7th Street
20 to the West, Locust Street to the North, 6th Street to the East, and Pine Street to the South (the
21 “Redevelopment Area” or “Area”), which Redevelopment Area is more fully described in the
22 Redevelopment Plan; and

1 **WHEREAS**, on December 16, 2009, the TIF Commission found that completion of the
2 Redevelopment Project (as hereinafter defined) would provide a substantial and significant
3 public benefit through the elimination of blighting conditions, the strengthening of the
4 employment and economic base of the City, increased property values and tax revenues,
5 stabilization of the Redevelopment Area, facilitation of the economic stability of the City as a
6 whole, and further found that without the assistance of tax increment financing in accordance
7 with the TIF Act, the Redevelopment Project is not financially feasible and would not otherwise
8 be completed; and

9 **WHEREAS**, On March ____, 2010, after due consideration of the TIF Commission’s
10 recommendations, the Mayor signed Ordinance No. _____ [Board Bill No. 338] designating the
11 Redevelopment Area as a “redevelopment area” as provided in the TIF Act, approving the
12 Redevelopment Plan, approving the Redevelopment Project described in the Redevelopment
13 Plan, adopting tax increment allocation financing within the Redevelopment Area and
14 establishing the Special Allocation Fund; and

15 **WHEREAS**, On March ____, 2010, the Mayor signed Ordinance No. _____
16 [Board Bill No. _____], affirming adoption of the Redevelopment Area, Redevelopment Plan
17 and Redevelopment Project, designating the Developer as developer of the Redevelopment
18 Project, and authorizing the City to enter into a Redevelopment Agreement with Developer with
19 respect to the Redevelopment Project (the “Redevelopment Agreement”).

20 **WHEREAS**, pursuant to the Redevelopment Plan and Redevelopment Agreement, the
21 City proposes to finance a portion of the costs of the Redevelopment Project by utilizing tax
22 increment allocation financing in accordance with the TIF Act; and

23

1 **WHEREAS**, the City is authorized and empowered under the TIF Act to issue
2 obligations and to enter into agreements with other entities for the issuance of obligations for the
3 purpose of providing funds to finance the costs of redevelopment projects; and

4 **WHEREAS**, the Redevelopment Agreement provides for the issuance by the City or the
5 Industrial Development Authority of the City (the “Authority”) of revenue bonds (the “Bonds”)
6 pursuant to a trust indenture for the purposes of funding Reimbursable Redevelopment Project
7 Costs (as defined in the Redevelopment Agreement), as well as capitalized interest on the Bonds,
8 reserve funds for the Bonds and the costs of issuance of the Bonds; and

9 **WHEREAS**, the City desires to execute certain financing documents in order to expedite
10 the issuance and retirement of all obligations issued under the Redevelopment Plan; and

11 **WHEREAS**, it is hereby found and determined that it is necessary and advisable and in
12 the best interest of the to direct the Phase 1 Available Revenues and, upon payment and
13 cancellation of any Phase 2 Obligations, the Phase 2 Available Revenues, to the payment of the
14 principal of and interest on the Bonds.

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

16 **SECTION ONE.** In addition to the words and terms defined elsewhere in this ordinance
17 (the “Ordinance”), capitalized words and terms not otherwise defined in this Ordinance, as used
18 in this Ordinance, shall have the meaning set forth in the Redevelopment Agreement. In addition
19 to the words and terms defined elsewhere in this Ordinance and the Redevelopment Agreement,
20 the following capitalized words and terms, as used in this Ordinance, shall have the following
21 meanings:

22 “Monitor” means an urban planner, urban consultant, certified public accountant, lawyer
23 or firm of urban planners, urban consultants, certified public accountants or lawyers selected, if

1 any, who periodically reviews the method of calculating and the calculations regarding revenues
2 on deposit in the Special Allocation Fund.

3 **SECTION TWO.** The Board of Aldermen hereby finds and determines that it is
4 necessary and in the best interests of the City to enter into: (a) a Financing Agreement, in a
5 mutually acceptable form, for purposes of directing the Phase 1 Available Revenues and, upon
6 payment and cancellation of any Phase 2 Obligations, the Phase 2 Available Revenues, to
7 payment of the Bonds (the "Financing Agreement"); and (b) an Intergovernmental Cooperation
8 Agreement among the City, the CID and the TDD, in a mutually acceptable form, pertaining to
9 the collection and distribution of CID Revenues and TDD Revenues (the "Cooperation
10 Agreement," and with the Financing Agreement and any other agreements necessary to
11 complete the Redevelopment Project the "City Financing Documents").

12 **SECTION THREE.** The Bonds and the interest thereon shall be special, limited
13 obligations of the City or the Authority, and shall not constitute an indebtedness of the City, the
14 Authority, or the State of Missouri within the meaning of any constitutional or statutory debt
15 limitation or restriction. The obligation of the City to make payments of certain revenues into the
16 Special Allocation Fund, as may be required under the Redevelopment Agreement or the City
17 Financing Documents, is subject to annual appropriation pursuant to SECTION FOUR hereof.
18 The taxing power of the City is not pledged to the payment of the Bonds either as to principal or
19 interest.

20 **SECTION FOUR.** The City hereby agrees, so long as the Bonds are outstanding, to
21 apply the Phase 1 Available Revenues and, upon payment and cancellation of any Phase 2
22 Obligations, the Phase 2 Available Revenues, and any taxes, fees or assessments subsequently
23 enacted and imposed in substitution therefor and allocable to the Special Allocation Fund to the

1 repayment of the Bonds in accordance with the Financing Agreement. The City covenants and
2 agrees that it will comply with the Charter of The City of St. Louis, Article XVI, Section 3 for
3 each fiscal year that the Bonds are outstanding and the City will request an appropriation of all
4 Dedicated Municipal Revenues and EATs for application to the payment of the principal of and
5 interest on the Bonds.

6 **SECTION FIVE.** The City hereby agrees that it shall provide to the Monitor, if one is
7 selected, (a) on a monthly basis, a report of all Economic Activity Taxes that are sales tax
8 revenues received during the previous month; (b) on a monthly basis, a report on all Available
9 Revenues received during the previous month; and (c) as may be requested, the City agrees to
10 cooperate with the Monitor for verification of calculations and deposits of all Available
11 Revenues (as defined in the Redevelopment Agreement).

12 **SECTION SIX.** The City is hereby authorized to enter into, and the Mayor and the
13 Comptroller and such other officers of the City as are appropriate are hereby authorized and
14 directed to execute, seal, attest and deliver, for and on behalf of and as the act and deed of the
15 City, the City Financing Documents, each with such changes as shall be approved by the
16 appropriate officers of the City executing such documents, such officers' signatures thereon
17 being conclusive evidence of their approval thereof. The Mayor, the Comptroller, and other
18 appropriate officers, agents and employees of the City, with the advice and concurrence of the
19 City Counselor, are hereby further authorized and directed to execute and deliver such
20 agreements as are necessary and desirable in order to issue the Bonds.

21 **SECTION SEVEN.** The Mayor, the Comptroller, the Treasurer (as to permitted
22 investments only) and other appropriate officers, agents and employees of the City are hereby
23 authorized to take such further actions and execute such other documents as may be necessary or

1 desirable to carry out and comply with the intent of this Ordinance, and to carry out, comply with
2 and perform the duties of the City with respect to the City Financing Documents.

3 **SECTION EIGHT.** It is hereby declared to be the intent of the Board of Aldermen that
4 each and every part, section and subsection of this Ordinance shall be separate and severable
5 from each and every other part, section and subsection hereof and that the Board of Aldermen
6 intends to adopt each said part, section and subsection separately and independently of any other
7 part, section and subsection. In the event that any part, section or subsection of this Ordinance
8 shall be determined to be or to have been unlawful or unconstitutional, the remaining parts,
9 sections and subsections shall be and remain in full force and effect, unless the court making
10 such finding shall determine that the valid portions standing alone are incomplete and are
11 incapable of being executed in accord with the legislative intent.

12 **SECTION NINE.** In the event of any inconsistency between the provisions of this
13 Ordinance and the provisions of any prior ordinances, the provisions of this Ordinance shall
14 prevail.

15 **SECTION TEN.** This Ordinance shall be governed exclusively by and construed in
16 accordance with the applicable laws of the State of Missouri.

EXHIBIT A
FORM OF FINANCING AGREEMENT
(Attached hereto)

EXHIBIT B

FORM OF CONTINUING DISCLOSURE AGREEMENT

(Attached hereto)

EXHIBIT C
FORM OF TAX COMPLIANCE AGREEMENT
(Attached hereto)

EXHIBIT D

FORM OF INTERGOVERNMENTAL COOPERATION AGREEMENT

(Attached hereto)