

BOARD BILL # 430

1 AN ORDINANCE AMENDING ORDINANCE NUMBERS 65857 AND
2 66431 PERTAINING TO THE GRAND CENTER REDEVELOPMENT
3 AREA APPROVING A TAX INCREMENT FINANCING
4 REDEVELOPMENT AGREEMENT FOR THE GRAND CENTER
5 REDEVELOPMENT AREA; APPROVING A SECOND AMENDMENT
6 TO THE REDEVELOPMENT AGREEMENT CONTAINED IN EXHIBIT
7 A TO SUCH ORDINANCES; PRESCRIBING OTHER MATTERS AND
8 MAKING FINDINGS WITH RESPECT THERETO; AUTHORIZING
9 CERTAIN ACTIONS BY CITY OFFICIALS; AND CONTAINING A
10 SEVERABILITY CLAUSE.

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

14 **WHEREAS**, pursuant to Ordinance No. 65703 approved November 15, 2002, the Board
15 of Aldermen did approve a Redevelopment Plan dated August 2, 2002, as amended (the
16 “Redevelopment Plan”) for the Grand Center Redevelopment Area (the “Redevelopment Area”)
17 which provides for development of: (a) District Theaters, Museums and Arena Redevelopment
18 Projects; (b) District Parking Redevelopment Projects; (c) District Green Space and Public
19 Improvement Redevelopment Projects; (d) District Education and Housing Redevelopment
20 Projects; (e) District Historic Rehabilitation Redevelopment Projects; and (f) District Retail and

1 Mixed Use Redevelopment Projects (the entire proposal for redevelopment as described in the
2 Redevelopment Plan being hereinafter referred to as a series of “Redevelopment Projects”); and

3 **WHEREAS**, the City's Board of Aldermen did duly consider and adopt Ordinance No.
4 65857 on February 25, 2003 authorizing execution of a redevelopment agreement by and between
5 the City and Grand Center, Inc. (“Developer”), and the City did, pursuant to said ordinance, enter
6 into a Redevelopment Agreement dated April 24, 2003 with the Developer (the “Redevelopment
7 Agreement”) in order to implement the Redevelopment Plan and the Redevelopment Projects
8 therein; and

9 **WHEREAS**, as implementation of the Redevelopment Plan and the Redevelopment
10 Agreement progressed, it became evident that certain changes were required, and the Developer
11 requested certain amendments to the Redevelopment Agreement and the City’s Board of
12 Alderman did duly consider and adopt Ordinance No. 66431 in July, 2004 authorizing execution
13 of an Amendment to the Redevelopment Agreement (the “First Amendment”) by and between
14 the City and the Developer; and

15 **WHEREAS**, as implementation of the Redevelopment Plan and the Redevelopment
16 Agreement (as amended by the First Amendment) has continued to progress, certain additional
17 changes are required, and the Developer has requested certain additional amendments to the
18 Redevelopment Agreement, including the funding of certain public works; and

19 **WHEREAS**, the Board of Aldermen hereby determines that the terms of the Second
20 Amendment to the Redevelopment Agreement attached as **Exhibit A** hereto (the “Second
21 Amendment”) are acceptable and that the execution, delivery and performance by the City and
22 the Developer of their respective obligations under the Redevelopment Agreement and First
23 Amendment are in the best interests of the City and the health, safety, morals and welfare of its

1 residents, and in accord with the public purposes specified in the Act and the Redevelopment
2 Plan; and

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

4 **SECTION ONE.** The Redevelopment Agreement contained in Exhibit A to Ordinance
5 66857 and the First Amendment contained in Exhibit A to Ordinance 66431 are hereby ratified
6 and approved. The Second Amendment, attached hereto as **Exhibit A**, is hereby approved and
7 the Redevelopment Agreement, the First Amendment and all exhibits attached thereto and all
8 Redevelopment Projects set forth therein are hereby deemed amended in accordance with the
9 Second Amendment.

10 **SECTION TWO.** The Mayor and Comptroller of the City and all other officers, agents,
11 representatives and employees of the City are hereby authorized to take any and all actions as
12 may be deemed necessary, desirable, convenient or proper to carry out and comply with the
13 intent of this Ordinance with regard to the implementation of the Redevelopment Plan and the
14 Second Amendment and to execute and deliver for and on behalf of the City all certificates,
15 instruments or other documents as may be necessary, desirable, convenient or proper to carry out
16 the matters herein authorized.

17 **SECTION THREE.** The Mayor and the Comptroller or their designated representatives
18 are hereby further authorized and directed to make any changes to the documents and
19 instruments approved and authorized by this Ordinance as may be consistent with the intent of
20 this Ordinance and necessary, desirable, convenient or proper in order to carry out the matters
21 herein authorized.

22 **SECTION FOUR.** It is hereby declared to be the intention of the Board of Aldermen
23 that each and every part, section and subsection of this Ordinance shall be separate and severable

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

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

EXHIBIT A

1. Section 2.D(ii) to the Redevelopment Agreement and First Amendment approved in Exhibit A to both Ordinance Number 65857 and Ordinance 66431 shall be deleted and a new Section 2.D (ii) shall be inserted as follows:

“(ii) (a) Within ninety (90) days following execution of this Redevelopment Agreement, the City and the Developer shall enter into a purchase and sale agreement for 634 N. Grand with a closing date of ninety (90) days after the building is vacated ("Closing Date"), and a purchase price payable in full at closing in an amount of not less than \$3,200,000. Such sale contract shall also provide that the City and Developer shall cooperate in endeavors to identify an alternate entity to purchase and develop 634 N. Grand in accordance with the Redevelopment Plan ("Alternate Purchaser"), and that, if such Alternate Purchaser is identified and if the price to be paid by such purchaser is in excess of \$3,200,000, the purchase price payable to the City shall be increased by such excess and the purchase and sale agreement may be assigned to the Alternate Purchaser, but any such assignment shall not limit Developer's obligation to purchase the property for \$3.2 million no later than the Closing Date, if such Alternate Purchaser does not close on the sale on or before the Closing Date.

(b) Concurrently with the closing of the sale and upon payment to the City in full of the purchase price for 634 N. Grand, the City will provide the Developer with a \$500,000 non-interest bearing note (the "City Note") which City Note shall not be applied to the purchase price for 634 N. Grand. The City Note shall be payable, subject to annual appropriation, in equal annual installments commencing on the December 31st first following the Closing Date and each December 31 thereafter until the City Note matures; such City Note shall mature on the date of the latest maturity of any of the TIF Obligations or upon earlier payment of \$500,000, provided, however, that the Developer may use the City Note as additional collateral for the repayment of the TIF Obligations under the TIF Ordinance once the \$3.2 million purchase price has been paid in full.

(c) Developer may allocate some or all of the \$3,200,000 of TIF Obligations in the form of Series B Notes to assist in financing the purchase or development of 634 N. Grand by an Alternate Purchaser. Should an Alternate Purchaser not require the use of some or all of the such Notes for such purposes, said Notes may be allocated by Developer to other costs associated with other Redevelopment Projects; any reallocations among Redevelopment Projects will be subject to the restrictions on adjusting the amount of TIF Obligations among the Redevelopment Projects as set forth in the TIF Redevelopment Plan.”

2. The existing Exhibit D-1 and Exhibit D-2 to the Redevelopment Agreement and First Amendment approved in Exhibit A to both Ordinance Number 65857 and Ordinance 66431 shall be deleted and a new Exhibit D-1 and Exhibit D-2 shall be inserted as follows:

**EXHIBIT D-1 (to Redevelopment Agreement)
PHASE I REDEVELOPMENT PROJECTS
Allocable Amount of TIF Obligations**

Series A Notes

1. SLU Arena	\$ 8,000,000 (not to exceed when added to related Series B Notes and the amount the on deposit in the SLU EATs account and any amount that is to be covered upon refinancing due to a change in interest rates)
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Series B Notes

2. SLU Arena	\$ 2,515,000
3. Woolworth's	\$ 1,850,000
4. District Expenses and Reimbursements	\$ 750,000
5. Moolah Theatre	\$ 2,000,000
6. Kim's Kids Daycare Center – Phase II	\$ 150,000
7. Metropolitan Building	\$ 2,500,000
8. 634 N. Grand	\$ 3,200,000
9. Medinah	\$ 3,000,000
10. Humboldt	\$ 1,175,000
GRAND TOTAL SERIES B NOTES:	\$17,140,000

Series C Notes

1. District Improvements	\$ 2,700,000
2. Olive West Housing (land assembly)	\$ 2,500,000
3. Olive West Housing (development)	\$ 2,000,000
4. Phase I Retail Mixed Use (Grand and Lindell)	\$ 2,500,000
5. Garage I (\$2,150 per space for 1,000 spaces)	\$ 2,150,000
GRAND TOTAL SERIES C	\$11,850,000

Series D Notes

1. Contemporary Art Museum	\$2,000,000
2. Urban Garden	\$ 380,000
3. Charmaine Chapman Community Center	\$ 500,000
4. Village Academy	\$ 250,000
5. Sun Theatre	\$1,750,000
6. African American Museum	\$4,000,000
GRAND TOTAL SERIES D NOTES:	\$8,880,000