

ORDINANCE #67050
Board Bill No. 412

An ordinance establishing and creating a Planned Unit Development District for a portion of City Block 3899 to be known as the "Parkhurst Condominiums Planned Unit Development District"; containing a severability clause and an emergency clause.

Whereas, the zoning ordinance of the City of St. Louis authorizes the establishment and creation of Planned Unit Development Districts (PUD's), a special zoning "overlay" tool authorizing the appropriate development of residential or commercial uses, or the combination thereof, in the best interests of the City and to provide for a scale and flexibility of development which could not otherwise be achieved through the existing single-use zoning districts, without detriment to neighboring properties; and

Whereas, on February 1, 2006, at the regular February meeting of the Planning Commission of the City of St. Louis, a Sketch Plan submitted as a request for Planned Unit Development District designation by Rothschild Winzerling LLC for property under their control in City Block 3899 (as shown in Exhibit "A") was presented; and

Whereas, the Planning Commission has reviewed said Sketch Plan and determined compatibility with the City's January 2005 Strategic Land Use Plan and other applicable zoning and redevelopment regulations established for the proposed Planned Unit Development District provided the subsequent Detailed Development Plan include documentation as to the details of the development; and

Whereas, the Planning Commission made all requisite findings as required by 26.80.050 of the Revised Code of the City of St. Louis and approved and adopted said Sketch Plan by Resolution No. PDA-176-05-PUD on February 1, 2006 and has provided a copy of the resolution to the Board of Aldermen;

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

SECTION ONE. Findings of Fact

The Board of Aldermen of the City of St. Louis hereby find and determine that: (i) the Parkhurst Condominiums Planned Unit Development District, as submitted by Rothschild Winzerling LLC and recommended by the City of St. Louis Planning Commission, encourages appropriate development; (ii) the Parkhurst Condominiums Sketch Plan approved by the Planning Commission on February 1, 2006 is in the best interest of the City of St. Louis; (iii) the Parkhurst Condominiums Sketch Plan recommended by the Planning Commission accomplishes the purposes set forth in 26.80.050.A of the Revised Code of the City of St. Louis; and (iv) the Parkhurst Condominiums Sketch Plan recommended by the Planning Commission meets the conditions set forth in 26.80.050.E of the Revised Code of the City of St. Louis.

SECTION TWO. Requirements Regarding Detailed Development Plan.

The Sketch Plan is the first step in the approval of a project seeking to be developed within and in accordance with the rules pertaining to a Planned Unit Development District. At a later time, the Developer submits for review by the Planning Commission a Detailed Development Plan for a portion of, or all, of the area included in the Planned Unit Development District. This Detailed Development Plan is compared for conformity with the approved Sketch Plan by the Planning Commission. The Planning Commission on February 1, 2006, in making its recommendation to the developer and the Board of Aldermen regarding the Parkhurst Condominiums Sketch Plan, included no conditions within the recommendation regarding modifications to the presented Sketch Plan that are recommended to be included in the Detailed Development Plan.

In addressing the requirements set forth in 26.80.050.H of the Revised Code of the City of St. Louis pertaining to Detailed Development Plan Standards, the submittal of the Detailed Development Plan for the Parkhurst Condominiums Planned Unit Development District shall include documentation showing a minimum of 20% of the site in open space, but none of the open space shall be required to be public.

SECTION THREE. Establishment and Creation of Parkhurst Condominiums Planned Unit Development District.

The Parkhurst Condominiums Planned Unit Development District, as proposed in the Parkhurst Condominiums PUD Sketch Plan (attached hereto as Exhibit "B") is hereby approved and adopted as recommended by the Planning Commission. There is hereby created a Planned Unit Development District, containing approximately 0.21 acres, to be known as the Parkhurst Condominiums Planned Unit Development District for the real property described below:
Lots 3, 4, 5 and 6 of Bradford Court Subdivision, according to the plat thereof recorded in Plat Book 59 page 29 of the St. Louis City Recorder's Office and in City Block 3899 of the City of St. Louis, Missouri.

SECTION FOUR. Severability Clause.

The provisions of this ordinance shall be severable. In the event that any provision of this ordinance is found by a court of competent jurisdiction to be unconstitutional, the remaining provisions of this ordinance are valid unless the court finds the valid provisions of this ordinance are so essentially and inseparably connected with, and so dependent upon, the void provision that it cannot be presumed that the Board of Aldermen would have enacted the valid provisions without the void ones or unless the Court finds that the valid provisions, standing alone, are incomplete and incapable of being executed in accordance with the legislative intent.

SECTION FIVE. Emergency Clause.

This being an ordinance for the preservation of public peace, health, and safety, it is hereby declared to be an emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the City of St. Louis and therefore shall become effective immediately upon its passage and approval by the Mayor.

EXHIBIT A



Current Zone

- A Single Family Dwelling Dist
- B Two Family Dwelling Dist
- C Multiple Family Dwelling Dist
- D Multiple Family Dwelling Dist
- E Multiple Family Dwelling Dist
- F Neighborhood Commercial Dist

- G Local Commercial District
- H Area Commercial District
- I Central Business District
- J Industrial District
- K Unrestricted District
- L Jefferson Memorial District

PUD Area

Parkhurst PUD

PDA-176-05-PUD

CITY OF ST. LOUIS
PLANNING & URBAN
DESIGN AGENCY
FRANCIS G. SLAY, Mayor



EXHIBIT "B"

**Planned Unit Development District
Sketch Plan**

For

Parkhurst Condominiums PUD

228-234 N. Taylor Avenue
City Block 3899

City of St. Louis Planning Commission

February 1, 2006

File No. PDA-176-05-PUD

**Jeff Winzerling
Rothschild Winzerling LLC**



TO THE CITY OF ST. LOUIS PLANNING COMMISSION
 PETITION FOR
 PLANNED UNIT DEVELOPMENT DISTRICT (PUD)

PETITIONER'S NAME ROTHSCHILD WINZERLING LLC
 CONTACT NAME (If above is a firm/an organization) JEFF WINZERLING
 ADDRESS 4746 MCPHERSON
 ZIP CODE 63108 PHONE (314) 776-1601
 E-MAIL j.winzerling@yahoo.com

Legal Description of Property Petitioned, including total acreage (use additional sheets if necessary) SEE ATTACHED

Parcel Number(s) (use additional sheets if necessary) SEE ATTACHED

Address(es) including street(s) and street number(s) SEE ATTACHED

The following can be listed or mapped on additional sheets:

Present Zoning is A SINGLE-FAMILY District(s) or a change has been requested for zoning to _____ District(s).

The acreage of the property including streets and alleys except boundary streets (to nearest tenth of an acre) is .2

Present Use of the Property DOG PARK

Proposed Use of the Property RESIDENTIAL CONDOMINIUMS (12)

Are you the owner of the property described? YES

If not, what is your legal interest in the property? _____

The owner(s)-of-record of the petitioned property according to City of St. Louis Assessor's Records is(are) known as ROTHSCHILD WINZERLING LLC

[Signature]
 Signature(s) of Petitioner(s)

8/17/05
 Date Filed

Parties of Interest (Fill in if applicable):

Project Engineer and /or Architect (if applicable) Name BARRY NELSON

Address 1119 BOLAND ST. LOUIS, MO 63117 Phone 646-1900

Developer and/or Builder (if other than petitioner) Name _____

Address _____ Phone _____

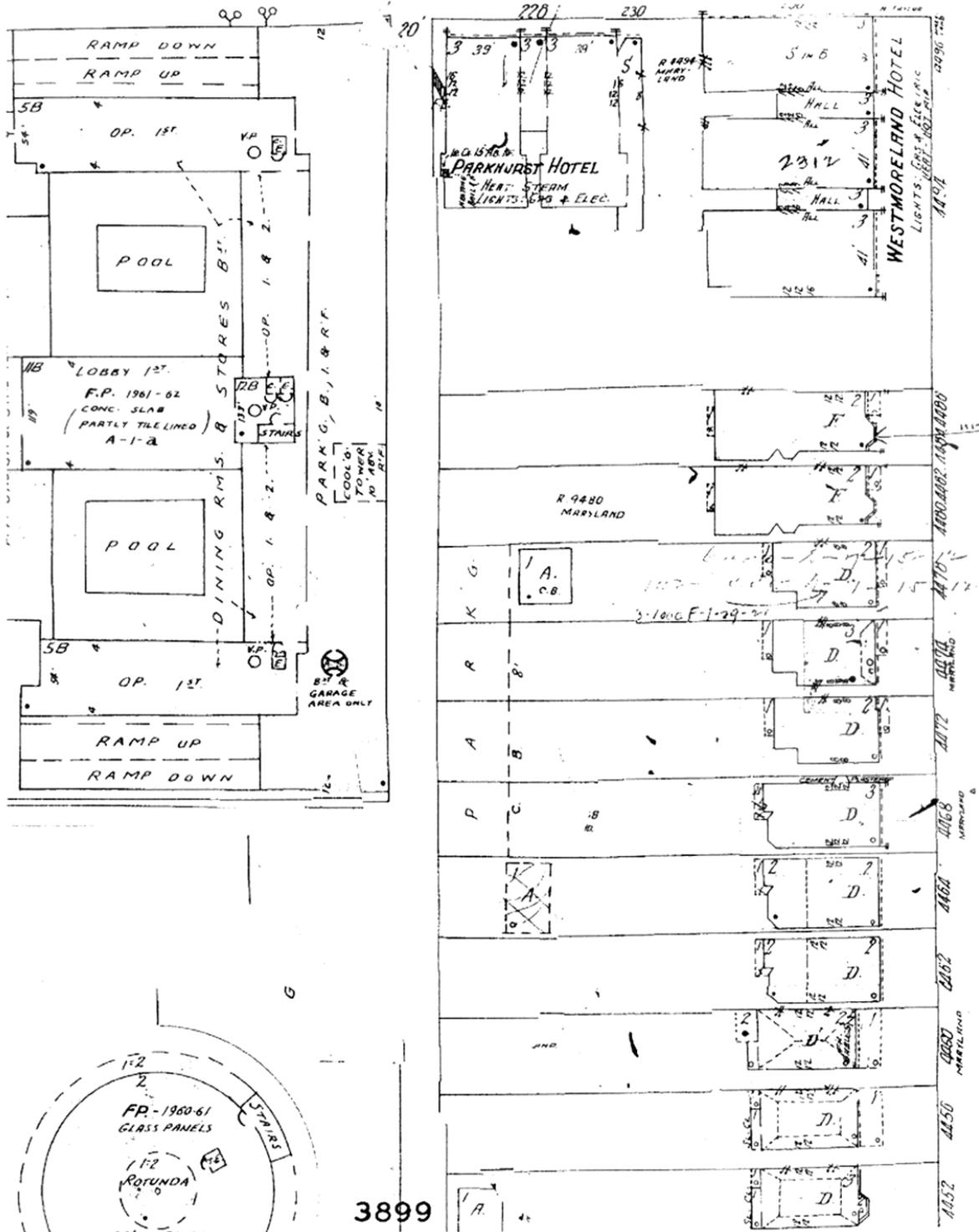
**Petition for Planned Unit Development District (PUD)
on the East Side of the 200 Block of N. Taylor Avenue**

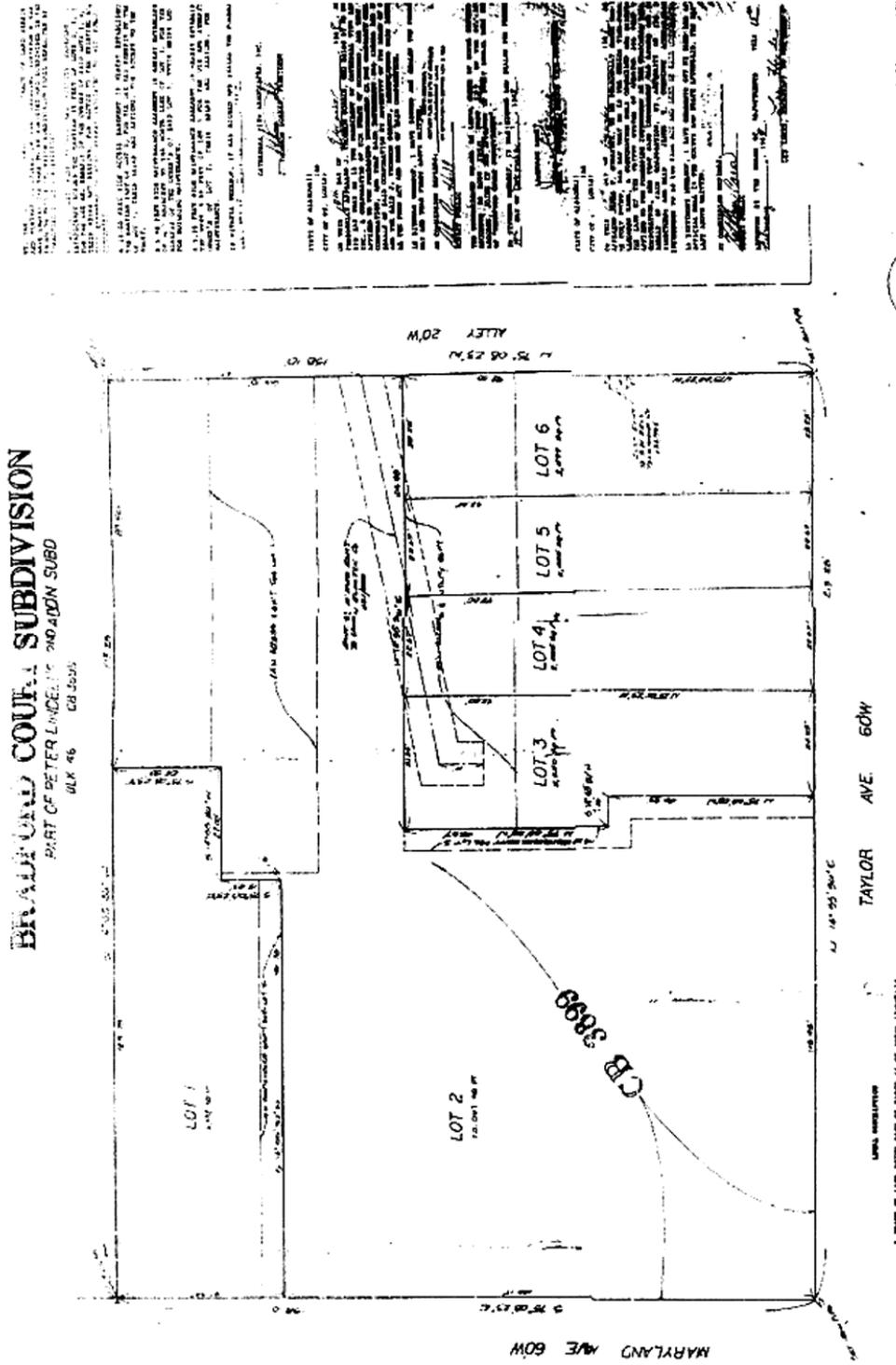
Written Statement

- a.) The District—made-up of four (4) vacant parcels totaling 97.83' in street frontage—will be consolidated into a single parcel, and then a condominium will be created. The condominium will include twelve (12) residences on four (4) floors over a parking garage. The garage, which will be largely below-grade, will accommodate sixteen (16) parking spaces and storage areas for each residence. The garage will be accessed from the existing alley.

All of the proposed condominium units are to be single-level configurations with some outdoor terrace or balcony space. Units will be of two basic sizes: smaller units—of about 1,300sf each—at each corner of the 1st and 2nd Floors; and larger units—of about 2,500sf each—occupying the north and south halves of the 3rd and 4th Floors. The smaller units will contain 2 bedrooms and 2 bathrooms and come with a single garage parking space. The larger units will be 3-bedroom, 2.5-bath plans with 2 garage spaces. Each floor will be served by an elevator and two staircases. The elevator and a single stairwell will link the 1st Floor and garage.

- b.) The project will be funded through a bank loan and developer's equity.
- c.) All property within the PUD is owned by Rothschild Winzerling LLC, the Petitioner.
- d.) The project will be pursued in a single Phase, commencing as soon as construction drawings and building permits can be completed and finished within one year of that date.





TO ALL WHOM THESE PRESENTS SHALL COME, I, the Mayor of the City of St. Louis, do hereby certify that the foregoing is a true and correct copy of the original as the same appears in the office of the Mayor of the City of St. Louis.

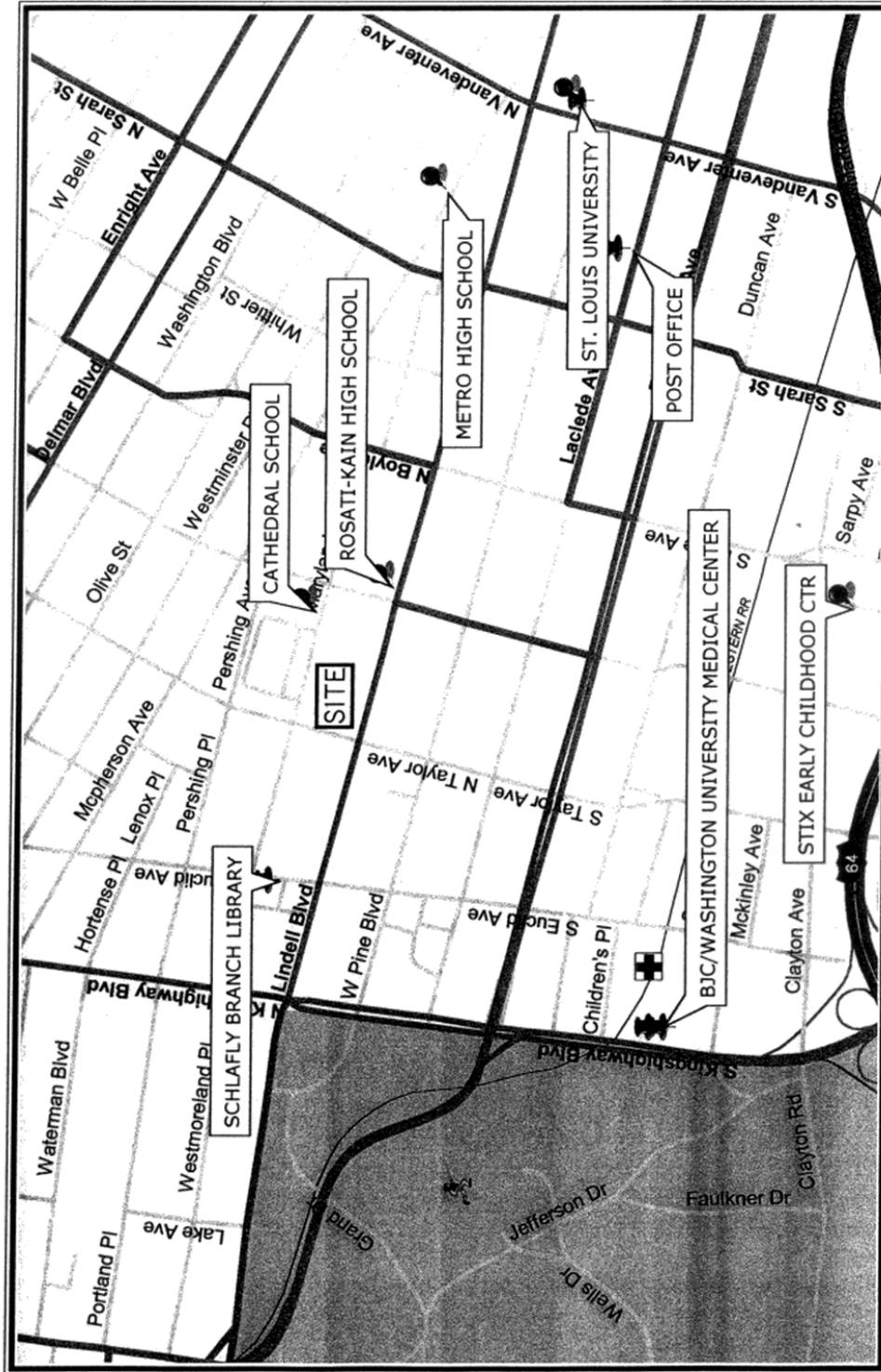
IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the City of St. Louis, this 27th day of June, 2006.

[Signature]
 Mayor

STATE OF MISSOURI
 COUNTY OF ST. LOUIS
 I, the undersigned, Clerk of the Board of Public Works of the City of St. Louis, do hereby certify that the foregoing is a true and correct copy of the original as the same appears in the office of the Board of Public Works of the City of St. Louis.

[Signature]
 Clerk of the Board of Public Works

Current Map



Jan 25 2006 4:47PM

MARYLAND PLACE

3143675083

p. 1

**Central West End Association
Planning & Development Committee
449 N. Euclid Ave.
St. Louis, MO 63108**

January 25, 2006

Dick Zerega
Planning & Development Agency
St. Louis Development Corp.
1015 Locust Street
St. Louis, MO 63101

Re: Parkhurst Place
232 North Taylor

Dear Sir:

The Planning & Development Committee of the CWEA has reviewed plans presented by Jeff Winzerling for a proposed 12 unit condominium to be located at 232 N. Taylor Ave. in the CWEA Historic District.

Following numerous meetings and negotiations involving the developer, residents of the adjacent Bradford Court Condominium and Alderwoman Krewson, it is the recommendation of the P&D Committee that the proposed Planned Unit Development be approved, subject to the following:

1. That the design modifications agreed to by Mr. Winzerling in response to objections raised by neighbors (reducing height of the structure and relocating southward) be implemented.
2. That the four concessions recited in Mr. Winzerling's correspondence dated November 29, 2005 be implemented.
3. Review and approval of final design and material selections by both the Cultural Resources Office and the CWEA Planning & Development Committee.

Thank you for your consideration.

Sincerely,
Planning & Development Committee

By: 
James Dwyer
Vice-Chairman

Cc: Ald. Krewson
Jeff Winzerling
CWEA Steering Committee

November 29, 2005

Bradford Court Resident
4496 Maryland Avenue, Unit A
St. Louis, MO 63108



Re: Redevelopment of the Dog Park Site

Dear Bradford Court Resident:

As you may be aware, my partner Pete Rothschild and I have purchased the lot south of the Bradford Court condominiums and are planning to construct a new luxury condominium building on the site. We developed a program for the project over the summer, and I met with representatives of the Bradford Court Board of Managers for the first time at the end of August. The Bradford Court representatives shared their reactions and raised numerous concerns, among them:

- The externalities of construction—noise, dust, traffic disruption, loss of street trees, etc.;
- Added traffic in the alley, reduced visibility at the alley's intersection with Taylor and other safety implications of the development, and
- Environmental hazards related to excavation of the dog park site.

In addition to these concerns about the construction process, objections to the scale and design of the building itself came to the forefront in correspondence over the following weeks and at a meeting on October 24 to which, I believe, all Bradford Court residents were invited. Although the discussion was wide-ranging the main problem voiced was:

- The way the mass of our proposed project would interact with the south-facing windows of Bradford Court—its height, proximity and the extent to which it would block views and screen sunlight.

My partner and I are taking steps to address each of these issues:

- 1.) **Construction Externalities.** Construction is an inescapably messy process and some things, like the loss of the trees along Taylor side of the site, are unavoidable, but we will work with our contractors to ensure that the construction site is as good a neighbor as it can be. Security and siltation (to prevent muddy run-off) barriers will encircle the site, and we may be able to contain some blowing dust by adding additional screening to the perimeter fence. Daily construction activity will not begin before 7:00am, and we will work to shorten the total duration of construction (in addition to the benefits described below, use of a steel frame can reduce the construction period by more than a month).
- 2.) **Alley Safety.** We propose to do three things to improve the safety of the alley and its intersection with Taylor. First, I have discussed with the Cathedral pastor the possibility of installing at the exit from the Cathedral property signs reading "Right Turn Only". This change, if abided by, would both reduce total alley traffic and peak-time loads significantly. In addition, we are working with AmerenUE to remove the power pole closest to Taylor—enhancing visibility, and we propose to add a drain in the alley that would mitigate the accumulation of ice in winter.
- 3.) **Environmental Hazards.** The top layer of dog park soil and turf will be scraped-off and trucked away from the site at groundbreaking. Furthermore, while I believe that the site will be relatively free of demolition debris, consultation with a company that does air quality monitoring reveals that, because it would be outdoors, no special containment procedures are called for if suspected asbestos-containing materials are encountered during excavation.

Bradford Court Resident
November 29, 2005
Page Two

4.) **Blocking Views and Screening Sunlight.** Our architects, civil engineers and contractors have conferred to find ways to reduce the 'profile' of the building. Proposed revisions include:

- Reducing ceiling heights in some units;
- Removing the cornice in the middle portion of the north elevation;
- Moving the entire building toward the alley;
- Lowering the garage floor by making some minor changes to the alley, and
- Constructing the building to be 'lean'—using a steel frame to reduce the height of structural members and using open-web trusses to allow ductwork and structural support to occupy the same vertical space instead of stacking them.

While these changes are subject to the approval of entities ranging from the Building Division to the Metropolitan Sewer District, if we are able to implement all of them, the center of the north roof parapet of our building will be 3 feet lower and 3.5 feet farther away from the Bradford Court building than it would have been before these revisions, and the building will stand, at its closest, more than 22 feet from the south-facing units of Bradford Court, almost twice the distance those units stand from each other across the light courts.

Mr. Rothschild and I are confident that, when completed, The Parkhurst will be a first-class addition to the Central West and that, with prices in the \$225-\$300/sf range, it will enhance the values of homes at Bradford Court. The input of our neighbors is already improving the project. If you have questions, concerns or suggestions, please contact me at 314/776-1601. In addition, interested parties are invited to share their impressions with the Planning and Development Committee of the Central West End Association when it meets to review our proposal on Saturday, December 17.

Sincerely,


Jeffrey J. Winzerling
President, Universatile Development, Inc.

Copies to: Alderwoman Lyda Krewson
Jim Dwyer, Central West End Association
Kate Shea, City of St. Louis Office of Cultural Resources
Dick Zerega, Planning & Design Agency ✓

The Bradford Court Condominium



January 4, 2006

Mr. Jim Dwyer
Planning and Development Committee
Central West End Association
449 North Euclid
St. Louis, Missouri 63108

Dear Mr. Dwyer:

We were glad to have the opportunity to attend last month's Planning and Development Committee meeting, and to view the updated design for the development proposed for the Dog Park site south of our building.

Although minor changes have been made to the design since it was first presented to us, a number of our primary concerns have either not been solved adequately or remain completely un-addressed:

1. **Alley Traffic Safety.** Several suggestions have been made which could improve the situation somewhat, including re-directing traffic in various ways and installing mirrors and / or lights where needed. However, we still believe that at least sixteen more cars in the alley, a garage door which opens right onto alley traffic, several additional dumpsters, a building that cuts off visibility when turning onto Taylor, and our existing wintertime ice problem, all combine to create significant traffic safety issues.
2. **Light.** The building will block a significant amount of sunlight, especially in the winter, for the majority of our south-facing residents. The minor changes to the design presented at the meeting would move the "shadow line" on our building down by only a foot or two.
3. **Views.** Most of our south-facing residents will lose their only windows with any view at all. This is perhaps unavoidable to some extent with any future development on the site; however, the massive size of the proposed building exacerbates the problem. Furthermore, the material proposed for the north wall of the proposed building is EIFS (fake stucco), instead of the brick seen on the side walls of most buildings in the neighborhood.
4. **Privacy.** Although we have raised the issue repeatedly, we have not yet seen any drawings at all that attempt to demonstrate the impact of the new building on our privacy. Our south-facing residents have a very strong concern that the main windows in their living areas will be looking directly into the bedrooms and bathrooms of the units in the proposed project. We believe that this will have a negative impact on the value and quality of both buildings.

● Page 2

January 4, 2006

We all purchased our homes knowing that the Dog Park property is zoned "A", Single-Family Residential, which requires generous front and rear setbacks, as well as a maximum height limitation of 2½ stories and 35 feet. The proposed building far exceeds this. Its front and rear setbacks are at an absolute minimum. It is five stories tall and, even with the modifications recently presented, appears to be significantly taller than our building. We believe that the design that is currently under consideration does not comply with the requirements of the St. Louis City Zoning Ordinance in that it would have a significant negative effect on the value and quality of our property. Therefore, we cannot support it.

Understanding that this property presents many difficulties for any potential developer, we are not opposed in principle to the idea of amending its zoning by means of a PUD. We merely ask that the site be developed in a way that is respectful of its neighbors, thereby improving the quality of the entire neighborhood. Our opinion is that a lower-density design would be far more appropriate.

Sincerely,

The Residents of Bradford Court

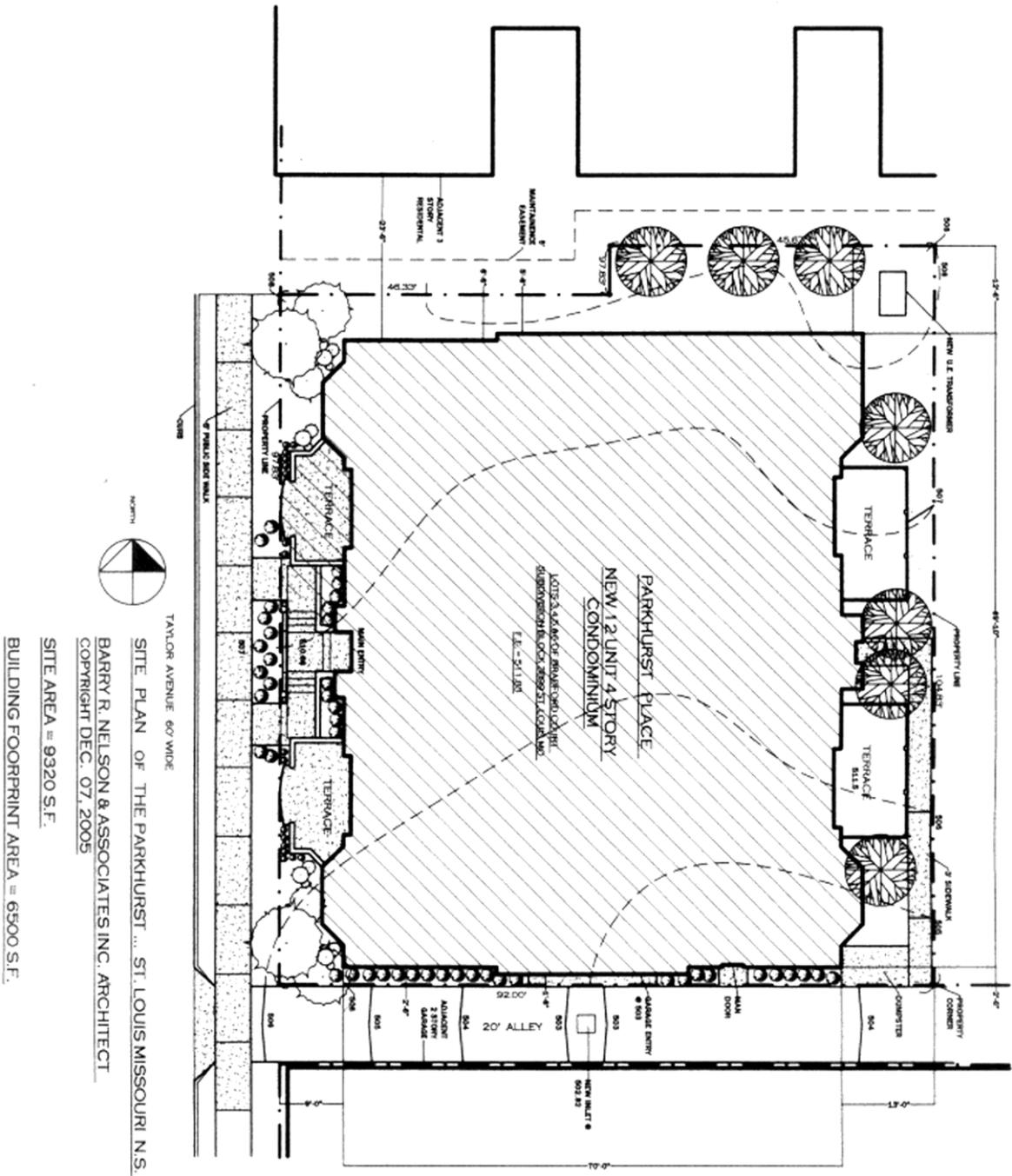
cc:

Bradford Court Board of Managers:

President	Chris and Betsy Kidd	#1B
Vice-President	Tomislav Zigo and Monica Moore	#3D
Treasurer	Jasmine Mohadjer	#3C

All Bradford Court property owners

Lyda Krewson, 28th Ward Alderman
Kate Shea, Cultural Resources Office
Dick Zerega, St. Louis City Planning



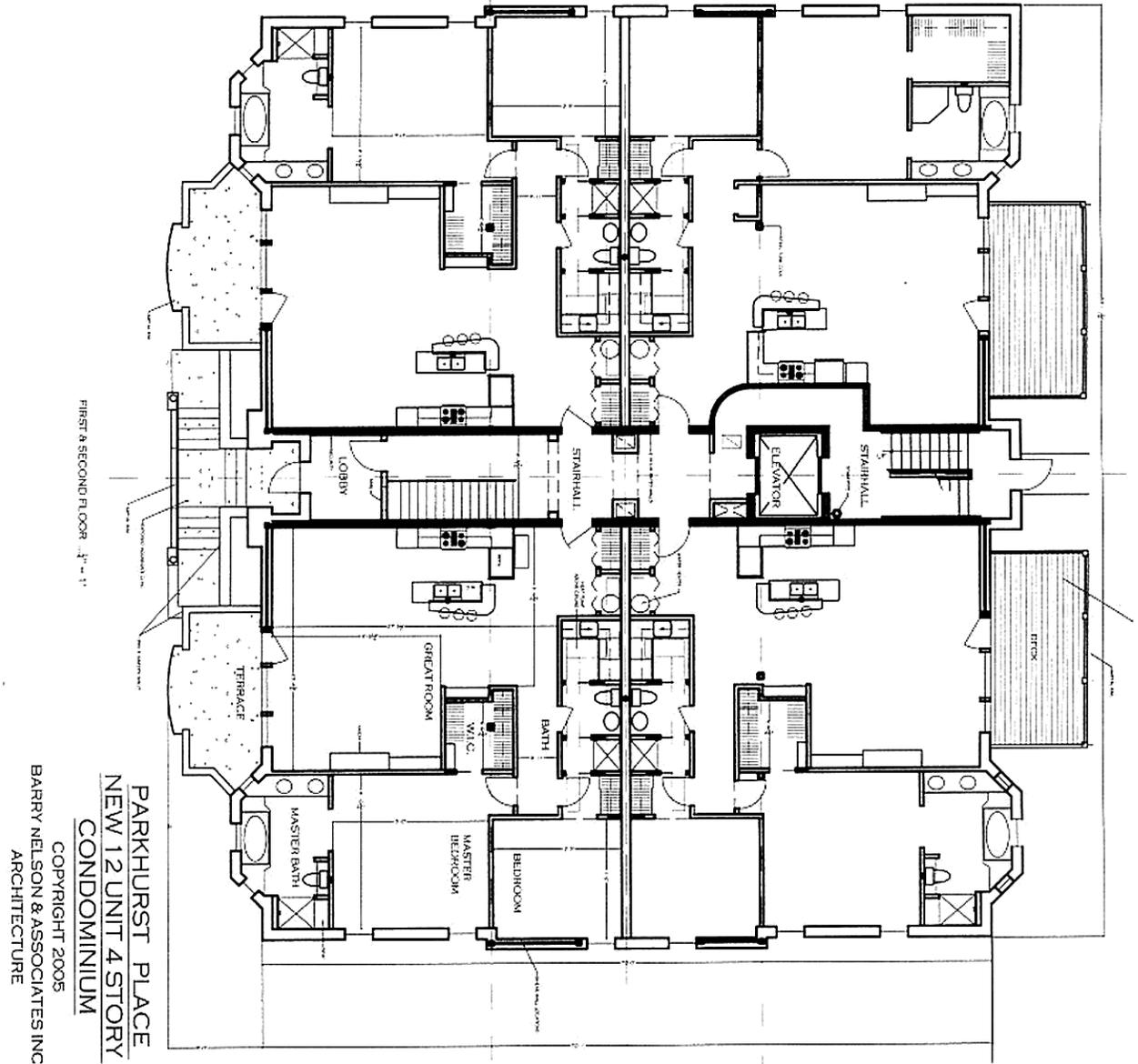
TAYLOR AVENUE 60' WIDE

SITE PLAN OF THE PARKHURST ... ST. LOUIS MISSOURI N.S.

BARRY R. NELSON & ASSOCIATES INC. ARCHITECT
 COPYRIGHT DEC. 07, 2005

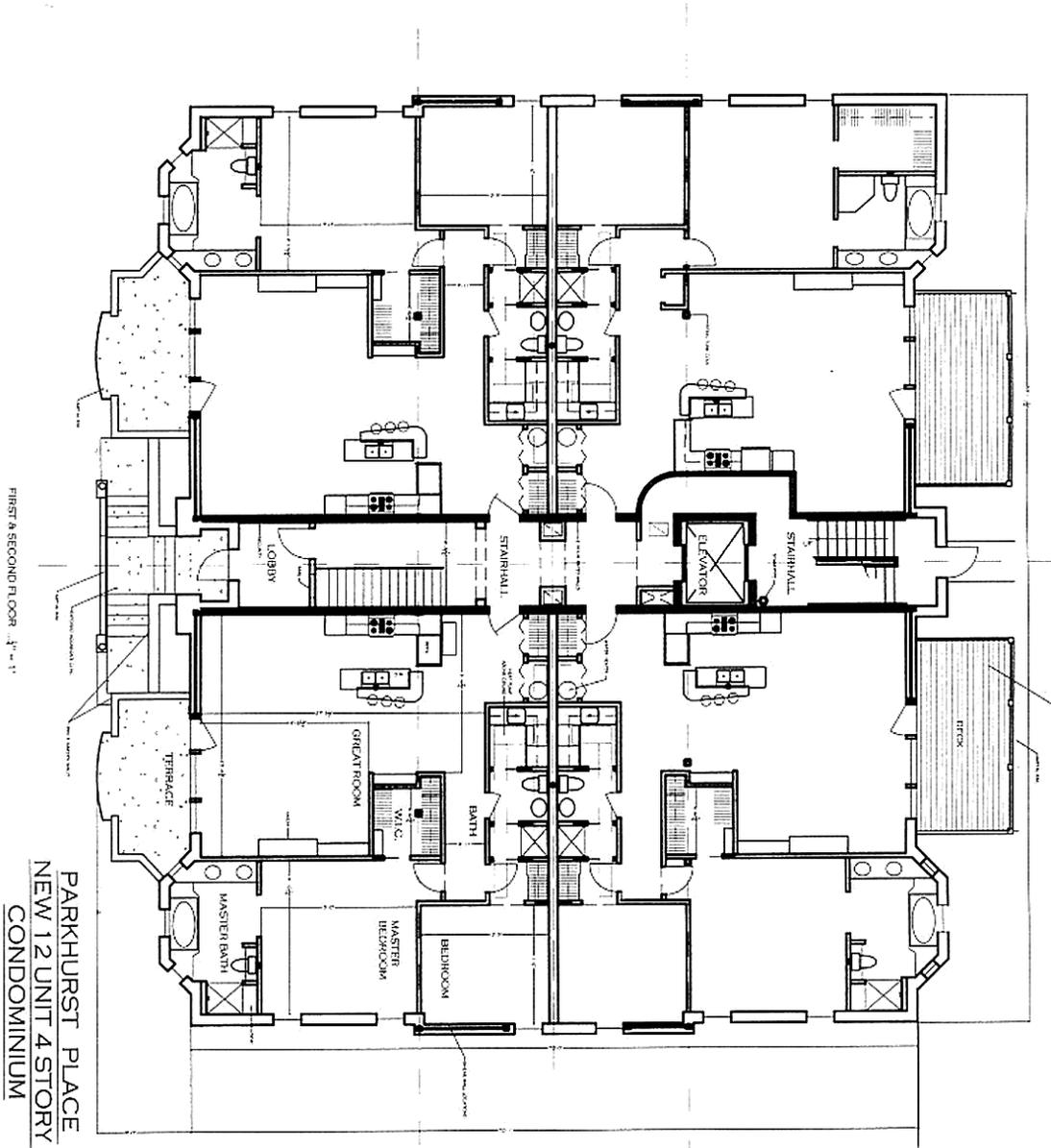
SITE AREA = 9320 S.F.

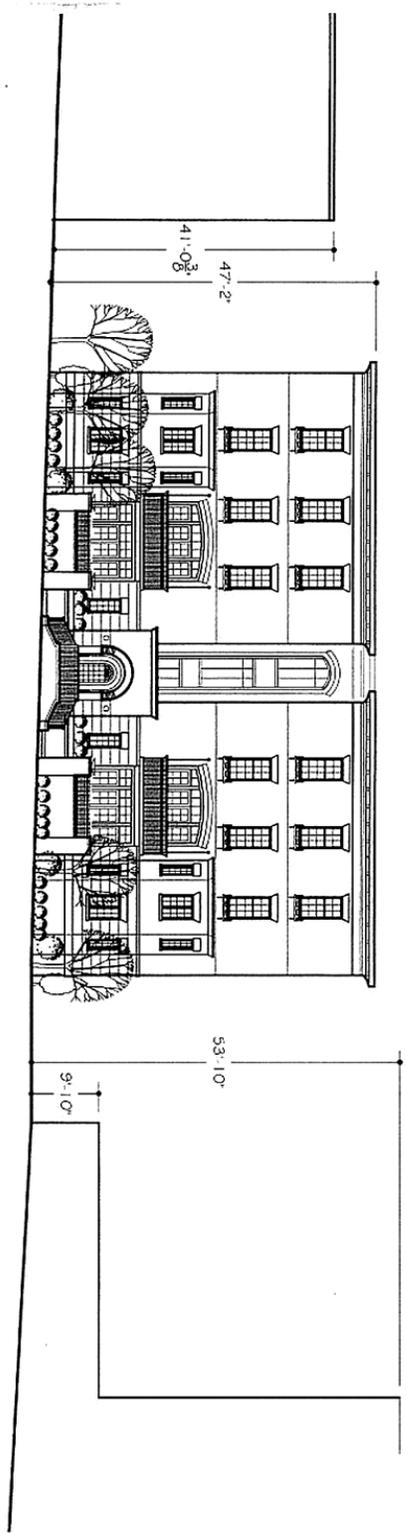
BUILDING FOOTPRINT AREA = 6500 S.F.



FIRST & SECOND FLOOR 1/4" = 1'

PARKHURST PLACE
NEW 12 UNIT 4 STORY
CONDOMINIUM
COPYRIGHT 2005
BARRY NELSON & ASSOCIATES INC.
ARCHITECTURE





FRONT ELEVATION STREETScape

PARKHURST PLACE
NEW 12 UNIT 4 STORY
CONDOMINIUM
CORP RIGHT 2005
BARRY NELSON & ASSOCIATES INC.
ARCHITECTURE



Approved: March 22, 2006

ORDINANCE #67051
Board Bill No. 413

ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST. LOUIS, MISSOURI, AS A REDEVELOPMENT AREA KNOWN AS THE UNION CLUB REDEVELOPMENT AREA PURSUANT TO THE REAL PROPERTY TAX INCREMENT ALLOCATION REDEVELOPMENT ACT; APPROVING A REDEVELOPMENT PLAN AND A REDEVELOPMENT PROJECT WITH RESPECT THERETO; ADOPTING TAX INCREMENT FINANCING WITHIN THE REDEVELOPMENT AREA; MAKING FINDINGS WITH RESPECT THERETO; ESTABLISHING THE UNION CLUB SPECIAL ALLOCATION FUND; AUTHORIZING CERTAIN ACTIONS BY CITY OFFICIALS; AND CONTAINING A SEVERABILITY CLAUSE.

WHEREAS, the City of St. Louis, Missouri (the “City”), is a body corporate and a 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, on December 20, 1991, pursuant to Ordinance No. 62477, the Board of Aldermen of the City created the Tax Increment Financing Commission of the City of St. Louis, Missouri (the “TIF Commission”); and

WHEREAS, the TIF Commission is duly constituted according to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri (2000), as amended (the “TIF Act”), and is authorized to hold public hearings with respect to proposed redevelopment areas and redevelopment plans and to make recommendations thereon to the City; and

WHEREAS, staff and consultants of the City and Gilded Age, L.L.C., a Missouri limited liability company (the “Developer”), prepared a plan for redevelopment titled “Union Club TIF Redevelopment Plan” dated November 16, 2005 (the “Redevelopment Plan”), for an area generally located along South Jefferson Avenue and commonly known as 1700 South Jefferson Avenue in the Lafayette Square neighborhood of the City of St. Louis (the “Redevelopment Area” or “Area”), which Redevelopment Area is more fully described in the Redevelopment Plan, attached hereto and incorporated herein as **Exhibit A**; and

WHEREAS, the Redevelopment Plan proposes to redevelop the Redevelopment Area by acquiring the property within the Area, demolishing the existing structure, clearing and improving the site and constructing new residential units and commercial space with related parking and other improvements, as set forth in the Redevelopment Plan (the “Redevelopment Project,” or “TIF Project”); and

WHEREAS, on January 11, 2006 after all proper notice was given, the TIF Commission held a public hearing in conformance with the TIF Act and received comments from all interested persons and taxing districts relative to the Redevelopment Area, the Redevelopment Plan, and the Redevelopment Project; and

WHEREAS, on January 11, 2006, the TIF Commission found that completion of the Redevelopment Project would provide a substantial and significant public benefit through the creation of new jobs, the elimination of blight, the strengthening of the employment and economic base of the City, increased property values and tax revenues, stabilization of the Redevelopment Area, and facilitation of economic stability for the City as a whole, and further found that without the assistance of tax increment financing in accordance with the TIF Act, the Redevelopment Project is not financially feasible and would not otherwise be completed; and

WHEREAS, on January 11, 2006, the TIF Commission voted to recommend that the Board of Aldermen adopt an ordinance in the form required by the Act (i) adopting tax increment financing within the Redevelopment Area with a recommendation that provides for a pass through to the taxing districts of 50% of all PILOTs derived from the residential portion of the proposed Redevelopment Project; (ii) approving a Redevelopment Plan; (iii) approving and designating the Redevelopment Area as a “redevelopment area” as provided in the Act, (iv) approving the Redevelopment Project as described within the Redevelopment Plan, and (v) approving the issuance of tax increment financing revenue notes; and

WHEREAS, the Developer has demonstrated that the Redevelopment Project would not reasonably be anticipated to be developed without the adoption of tax increment financing and, therefore, redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan is not feasible and would not otherwise be completed; and

WHEREAS, the Board of Aldermen has received the recommendations of the TIF Commission regarding the Redevelopment Area and the Redevelopment Plan and finds that it is desirable and in the best interests of the City to approve tax increment financing with 100% PILOTs, to designate the Redevelopment Area as a “redevelopment area” as provided in the TIF Act, adopt the Redevelopment Plan and Redevelopment Project in order to encourage and facilitate the redevelopment of the Redevelopment Area; and

WHEREAS, the Redevelopment Area qualifies for the use of tax increment financing to alleviate the conditions that qualify it as a “blighted area” as provided in the TIF Act and as set forth herein; and

WHEREAS, it is necessary and desirable and in the best interest of the City to adopt tax increment allocation financing within the Redevelopment Area and to establish a special allocation fund for the Redevelopment Area in order to provide for the promotion of the general welfare through redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan

which redevelopment includes, but is not limited to, assistance in the physical, economic, and social development of the City of St. Louis, providing for a stabilized population and plan for the optimal growth of the City of St. Louis, encouragement of a sense of community identity, safety and civic pride, and the elimination of impediments to land disposition and development in the City of St. Louis.

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

SECTION ONE. The Board of Aldermen hereby makes the following findings:

A. The Redevelopment Area on the whole is a “blighted area”, as defined in Section 99.805 of the TIF Act, and has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing. This finding includes, the Redevelopment Plan sets forth, and the Board of Aldermen hereby finds and adopts by reference: (i) a detailed description of the factors that qualify the Redevelopment Area as a “blighted area” and (ii) an affidavit, signed by the Developer and submitted with the Redevelopment Plan, attesting that the provisions of Section 99.810.1(1) of the TIF Act have been met, which description and affidavit are incorporated herein as if set forth herein.

B. The Redevelopment Plan conforms to the comprehensive plan for the development of the City as a whole.

C. In accordance with the TIF Act, the Redevelopment Plan states the estimated dates of completion of the Redevelopment Project and retirement of the financial obligations issued to pay for certain redevelopment project costs and these dates are twenty three (23) years or less from the date of approval of the Redevelopment Project.

D. A plan has been developed for relocation assistance for businesses and residences in Ordinance No. 62481 adopted December 20, 1991.

E. A cost-benefit analysis showing the economic impact of the Redevelopment Plan on each taxing district which is at least partially within the boundaries of the Redevelopment Area is on file with the St. Louis Development Corporation, which cost-benefit analysis shows the impact on the economy if the Redevelopment Project is not built, and is built pursuant to the Redevelopment Plan.

F. Redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan is not financially feasible without the assistance of tax increment financing and would not otherwise be completed.

G. The Redevelopment Plan does not include the initial development or redevelopment of any “gambling establishment” as that term is defined in Section 99.805(6) of the TIF Act.

H. The Redevelopment Area includes only those parcels of real property and improvements thereon directly and substantially benefited by the proposed Redevelopment Project.

SECTION TWO. The Redevelopment Area described in the Redevelopment Plan is hereby designated as a “redevelopment area” as defined in Section 99.805(11) of the TIF Act.

SECTION THREE. The Redevelopment Plan as reviewed and recommended by the TIF Commission on January 11, 2006, including amendments thereto, if any, and the Redevelopment Project described in the Redevelopment Plan are hereby adopted and approved. A copy of the Redevelopment Plan is attached hereto as **Exhibit A** and incorporated herein by reference.

SECTION FOUR. There is hereby created and ordered to be established within the treasury of the City a separate fund to be known as the “Union Club Special Allocation Fund.” To the extent permitted by law and except as otherwise provided in the Redevelopment Plan, the City hereby pledges funds in the Union Club Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof.

SECTION FIVE. Tax increment allocation financing is hereby adopted within the Redevelopment Area. After the total equalized assessed valuation of the taxable real property in the Redevelopment Area exceeds the certified total initial equalized assessed valuation of the taxable real property in the Redevelopment Area, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in the Redevelopment Area by taxing districts and tax rates determined in the manner provided in Section 99.855.2 of the TIF Act each year after the effective date of this Ordinance until redevelopment costs have been paid shall be divided as follows:

A. That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the Redevelopment Project shall be allocated to and, when collected, shall be paid by the City Collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;

B. Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the Redevelopment Project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the Redevelopment Project shall be allocated to and, when collected, shall be paid to the City Treasurer, who shall deposit such payment in lieu of taxes into the

Union Club Special Allocation Fund for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the Redevelopment Project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable.

SECTION SIX. In addition to the payments in lieu of taxes described in Section Five of this Ordinance, fifty percent (50%) of the total additional revenue from taxes, penalties and interest which are imposed by the City or other taxing districts, and which are generated by economic activities within the area of the Redevelopment Project over the amount of such taxes generated by economic activities within the area of the Redevelopment Project in the calendar year prior to the adoption of the Redevelopment Project by ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri (2000) as amended, or taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri (2000) as amended, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, shall be allocated to, and paid by the collecting officer to the City Treasurer or other designated financial officer of the City, who shall deposit such funds in a separate segregated account within the Union Club Special Allocation Fund.

SECTION SEVEN. The Comptroller of the City is hereby authorized to enter into agreements or contracts with other taxing districts as is necessary to ensure the allocation and collection of the taxes and payments in lieu of taxes described in Sections Five and Six of this Ordinance and the deposit of the said taxes or payments in lieu of taxes into the Union Club Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof, all in accordance with the TIF Act.

SECTION EIGHT. The City Register is hereby directed to submit a certified copy of this Ordinance to the City Assessor, who is directed to determine the total equalized assessed value of all taxable real property within the Redevelopment Area as of the date of this Ordinance, by adding together the most recently ascertained equalized assessed value of each taxable lot, block, tract or parcel of real property within the Redevelopment Area, and shall certify such amount as the total initial equalized assessed value of the taxable real property within the Redevelopment Area.

SECTION NINE. The Mayor and Comptroller of the City or their designated representatives are hereby authorized and directed to take any and all actions as may be necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such action by the Mayor and the Comptroller or their designated representatives.

SECTION TEN. The Mayor and the Comptroller or their designated representatives, with the advice and concurrence of the City Counselor and after approval by the Board of Estimate and Apportionment, are hereby further authorized and directed to make any changes to the documents, agreements and instruments approved and authorized by this Ordinance as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such changes by the Mayor and the Comptroller or their designated representatives.

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

SECTION TWELVE. After adoption of this Ordinance by the Board of Aldermen, this Ordinance shall become effective on the 30th day after its approval by the Mayor or adoption over his veto; *provided that* if, within ninety (90) days after the effective date of this Ordinance, the Developer has not (i) executed a redevelopment agreement pertaining to the Redevelopment Project and (ii) paid all fees due to the City in accordance with the terms of the redevelopment agreement, the provisions of this Ordinance shall be deemed null and void and of no effect and all rights conferred by this Ordinance on Developer, shall terminate, *provided further*, however, that prior to any such termination the Developer may seek an extension of time in which to execute the Redevelopment Agreement, which extension may be granted in the sole discretion of the Board of Estimate and Apportionment of the City of St. Louis.

EXHIBIT A

UNION CLUB TIF REDEVELOPMENT PLAN

UNION CLUB

TIF REDEVELOPMENT PLAN

Submitted to

**the City of St. Louis
Tax Increment Financing Commission
November 16, 2005**

**UNION CLUB
TIF REDEVELOPMENT PLAN
TABLE OF CONTENTS**

- I. INTRODUCTION
- II. OVERVIEW OF TAX INCREMENT FINANCING
- III. REDEVELOPMENT PLAN INCLUDING NECESSARY FINDINGS
 - 1. LEGAL DESCRIPTION AND MAP OF THE REDEVELOPMENT AREA
 - 2. REDEVELOPMENT PLAN OBJECTIVES
 - 3. REDEVELOPMENT PROJECT
 - 4. GENERAL LAND USES TO APPLY
 - 5. REDEVELOPMENT SCHEDULE AND ESTIMATED DATES OF COMPLETION
 - 6. MOST RECENT EQUALIZED ASSESSED VALUE OF PARCELS WITHIN REDEVELOPMENT AREA
 - 7. ESTIMATED EQUALIZED ASSESSED VALUE AFTER REDEVELOPMENT
 - 8. BLIGHTED AREA
 - 9. CONFORMS WITH THE COMPREHENSIVE PLAN OF THE CITY
 - 10. PLAN FOR RELOCATION ASSISTANCE
 - 11. COST BENEFIT ANALYSIS
 - 12. DOES NOT INCLUDE GAMBLING ESTABLISHMENT
 - 13. REPORTS TO DED
 - 14. HISTORICAL LAND USE
- IV. FINANCING PLAN
 - 1. ELIGIBLE REDEVELOPMENT PROJECT COSTS
 - 2. ANTICIPATED SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS
 - 3. TIF NOTE FUNDING
 - 4. EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS

UNION CLUB TIF REDEVELOPMENT PLAN

APPENDICES

- 1. LEGAL DESCRIPTION AND MAP OF THE REDEVELOPMENT AREA
- 2. ANTICIPATED SOURCES AND USES OF FUNDS
- 3. ANALYSIS OF CONDITIONS REPRESENTING A BLIGHTED AREA FOR THE UNION CLUB REDEVELOPMENT AREA
- 4. REDEVELOPMENT PROJECT SCHEDULE
- 5. CURRENT AND HISTORICAL INFORMATION CONCERNING THE EQUALIZED ASSESSED VALUE OF AND ECONOMIC ACTIVITY TAXES (EATS) WITHIN THE REDEVELOPMENT AREA
- 6. DEVELOPER'S AFFIDAVIT
- 7. EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS
- 8. GENERAL LAND USES TO APPLY
- 9. REAL PROPERTY TAX INCREMENT ALLOCATION ACT

I. INTRODUCTION

The following is a plan prepared for redevelopment of certain real property in the City of St. Louis (the "City") consisting of the property commonly known as 1700 South Jefferson Avenue (the "Redevelopment Area" or "Area"). A legal description and map of the Redevelopment Area are attached hereto as **Appendix 1** and incorporated herein by this reference.

The Redevelopment Area qualifies as a blighted area under Missouri's Real Property Tax Increment Allocation Redevelopment Act, Section 99.800-99.865 of the Revised Statutes of Missouri (2000), as amended (the "TIF Act"). This

Redevelopment Plan proposes to redevelop the Redevelopment Area into a new building, reminiscent of the old Union Club building that was once on the site, with commercial and residential uses (the “Redevelopment Project” or “Project”). The old Union Club Building was nearly destroyed by the cyclone of 1896. It was reopened after the cyclone only to be torn down in the 1950’s.

This Redevelopment Plan proposes that the City initially authorize and issue one or more Tax Increment Financing Notes (“TIF Note”) in an amount up to One Million Nine Hundred Thousand and No/100 Dollars (\$1,900,000.00) plus issuance costs to fund a portion of the costs of the Redevelopment Project. The TIF Note issued shall be reimbursed solely from the revenue stream of Payments In Lieu of Taxes (“PILOTS”) and Economic Activity Taxes (“EATS”) generated by the Project over a twenty-three year period. Up to one hundred percent of PILOTS within the Redevelopment Area and up to fifty percent of EATS will be allocated to retire the TIF Note. After completion of the Redevelopment Project, the City may issue TIF Note(s) or other TIF obligations to the developer of the Project (“Developer”) or a third party to evidence the City’s obligation to reimburse the Developer for a portion of the costs of the Redevelopment Project. Such TIF Note(s) will be paid solely from revenues on deposit in the Union Club Special Allocation Fund, in accordance with and pursuant to the TIF Act. Upon receipt by the City of a written request by Developer and evidence that the Developer has met certain criteria agreed upon by the City and Developer in a Redevelopment Agreement, the City shall cause one of its agencies to immediately proceed to issue tax increment financing bonds (“TIF Bonds”) to repay the TIF Note.

The TIF Notes may be issued in one or more series and may include notes, temporary notes, or other financial obligations to be redeemed by TIF Notes upon completion of the Redevelopment Project. In addition, these TIF Notes or other financial obligations may be privately placed. It is the City’s intent to pay for the principal and interest on these TIF Notes or other financial obligations, in any year, solely with money legally available for such purpose within the City’s Special Allocation Fund.

II. OVERVIEW OF TAX INCREMENT FINANCING

In order to promote the redevelopment of a declining area or to induce new activity in an area that has been lacking in growth and development, the State of Missouri has provided statutory tools to counties and municipalities to assist private and initiate public, investment. One such tool is the TIF Act, a copy of which is attached hereto as **Appendix 9**.

The TIF Act allows cities and counties to (1) identify and designate redevelopment areas that qualify as Blighted Areas, Conservation Areas, or Economic Development Areas as each are defined in the TIF Act; (2) adopt a redevelopment plan that designates the redevelopment area and states the objectives to be attained and the program to be undertaken; (3) approve a redevelopment project(s) for implementation of the redevelopment plan; and (4) utilize the tools set forth in the TIF Act to assist in reducing or eliminating those conditions that cause the area to qualify as a redevelopment area. Generally, the TIF Act allows municipalities to foster economic and physical improvements in a redevelopment or project area and to enhance the tax base of all taxing districts that levy taxes in such area. Within redevelopment areas, municipalities may use the power of eminent domain to provide necessary property acquisition for the implementation of a redevelopment plan and redevelopment project.

The concept of tax increment financing is outlined as follows: implementation of a redevelopment project within the redevelopment area will produce increased real estate assessments attributable to the redevelopment within the area. The project then makes PILOTS on the increased assessed value of the improved property. The project also generates new EATS resulting from operations within the redevelopment or project area. The TIF Act authorizes the capture of certain PILOTS and EATS in the redevelopment or project area over and above such levels within that area in the year prior to the approval of the redevelopment project. New development is made possible within the redevelopment area through the municipality’s use of incremental revenues to finance certain costs of developing or redeveloping the area.

The municipality segregates these incremental revenues into a special account, the “special allocation fund,” during the period of time in which the incremental revenues are dedicated to the purposes identified in the redevelopment plan. The municipality is further authorized to pledge additional net new revenues from the project to the purposes identified in the redevelopment plan. All taxing districts that levy taxes on property within the redevelopment or project area continue to receive tax revenues based upon property values which existed prior to the adoption of ordinances establishing the redevelopment or project area. Taxing districts also benefit from the increase in certain other taxes resulting from the increased economic activity in the redevelopment or project area. These taxes resulting from development of the redevelopment project are not deposited in the special allocation fund pursuant to the provisions of the TIF Act.

The TIF Act requires that, prior to establishing a redevelopment area or approving or amending TIF redevelopment plans and projects, a municipality must create a TIF Commission. A TIF Commission is comprised of six individuals appointed by the chief elected official of the municipality, with the consent of its governing body, and three individuals who are appointed by the other taxing districts within the proposed redevelopment area. Two of these three members are to represent the school district(s) that tax property within the proposed redevelopment area; the other member is appointed by all the remaining taxing districts. The TIF Commission’s role is to review, consider, and make recommendations to the municipality’s governing body concerning the adoption of redevelopment plans and redevelopment projects and the designation of redevelopment areas, and to exercise such other powers as are available to it under the TIF Act.

III. REDEVELOPMENT PLAN INCLUDING NECESSARY FINDINGS

1. Legal Description of the Redevelopment Area

A legal description and map of the Redevelopment Area are included herein as **Appendix 1**. The Redevelopment Area currently consists of a vacant Aldi’s structure and an onsite parking lot, which have been used for commercial space since its

construction in 1962.

2. Redevelopment Plan Objectives

The City of St. Louis has established the following objectives for the Union Club TIF Redevelopment Plan. These objectives are consistent with those purposes outlined in the TIF Act, as amended:

- To reduce or eliminate the conditions that cause the Redevelopment Area to be a “blighted area” as defined by Section 99.805(1) of the TIF Act and as described in this Redevelopment Plan;
- To enhance the public health, safety, and welfare of the community by curing blighting conditions and encouraging other improvements necessary for insuring the Area’s stability and existing and future redevelopment consistent with this Redevelopment Plan;
- To enhance the tax base by inducing development of the Redevelopment Area to its highest and best use, benefitting taxing districts and encouraging private investment in surrounding areas;
- To promote the health, safety, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development;
- To further objectives outlined in the Lafayette Square Neighborhood - Urban Plan and the City of St. Louis Strategic Land Use Plan;
- To increase property values of the Area;
- To provide development opportunities in the Redevelopment Area and surrounding areas; and
- To stimulate construction and permanent employment opportunities and increased demand for services for the Area.

3. Redevelopment Project

To satisfy the above objectives, the Redevelopment Project consists of:

- **Commercial/Residential Use:** The Project will consist of the construction of a four story Romanesque brick building for commercial and residential uses with on-site parking.

The Redevelopment Project is generalized to leave room for design creativity and owner specifications as needed, so that the Developer can respond to prospective purchasers’ and tenants’ needs as well as market conditions as redevelopment of the Redevelopment Project progresses.

It is expected that the Redevelopment Project will capitalize on existing successful redevelopment efforts in other portions of the Lafayette Square Neighborhood. In addition, it is expected that the Project will help to encourage an increase in other commercial and residential development efforts in the vicinity of the Redevelopment Area.

The total estimated Redevelopment Project Costs for the Redevelopment Project at this time equal approximately \$11.6 million, excluding any developer fees, as set forth in greater detail in **Appendix 2**. It should be noted that the costs set forth in **Appendix 2** are estimated based on the knowledge of the Redevelopment Project at this time and that the actual redevelopment cost items for implementing the Redevelopment Project may vary depending on market conditions and other factors.

4. General Land Uses to Apply

The general land uses proposed for the Area include mixed uses with upper-floor residences and lower-floor commercial users. A map profiling the general land uses to apply are attached hereto as **Appendix 8** and incorporated herein by this reference.

5. Redevelopment Schedule and Estimated Dates of Completion

It is estimated that implementation of the Redevelopment Project will be completed within thirty (30) months from the effective date of the ordinances approving this Redevelopment Plan and authorizing the execution of a redevelopment agreement between the City and the Developer of this Redevelopment Project as contemplated herein. The estimated date for retirement of obligations incurred to finance the Redevelopment Project shall not be more than twenty-three (23) years from approval of the Redevelopment Project. The anticipated Redevelopment Program Schedule for the TIF Project is included herein as **Appendix 4**.

6. Most Recent Equalized Assessed Value of Parcels within the Redevelopment Area

The current Equalized Assessed Value of all property in the Redevelopment Area is attached as **Appendix 5**. These values are established and will be confirmed by the Assessor of the City of St. Louis. **Appendix 5** also includes historical information concerning the Equalized Assessed Value of the Redevelopment Area.

7. Estimated Equalized Assessed Value After Redevelopment

The total estimated Equalized Assessed Value of all property subject to PILOTS in the Redevelopment Area after redevelopment and completion of the Redevelopment Project Area is approximately \$1,925,770 (2009).

8. Blighted Area

As described in greater detail in the *Analysis of Conditions Representing a Blighted Area for the Union Club Redevelopment Area* attached hereto as **Appendix 3** and incorporated herein by this reference, the Redevelopment Area as a whole is a blighted area, and has not been subject to growth and development through investment by private enterprise and will not reasonably be expected to be developed without the adoption of tax increment financing. The Developer has executed an affidavit attesting to the existence of these conditions which is included herein as **Appendix 6**.

The cost of redevelopment precludes private enterprise from developing the Redevelopment Area to its highest and best use without public assistance. The cost of curing the existing conditions of blight and rehabilitation of improvements as contemplated in this Redevelopment Plan is not economically viable if fully borne by the Developer.

9. Conforms with the Comprehensive Plan of the City

The Redevelopment Plan conforms to the comprehensive plan for the development of the City as set forth in the Strategic Land Use Plan (2005). The Redevelopment Plan also conforms to the Lafayette Square Neighborhood - Urban Plan (2001) adopted by the City. The Lafayette Plan discusses guidelines and strategies for the continued revitalization of the Lafayette Square neighborhood, and highlights potential for redevelopment of the Area into "neighborhood friendly businesses".

10. Plan for Relocation Assistance

To the extent relocation becomes necessary, this Redevelopment Plan adopts the City of St. Louis Relocation Policy (Ordinance No. 62481) as the relocation policy for this Redevelopment Plan.

11. Cost Benefit Analysis

A cost benefit analysis showing a net benefit to each taxing district impacted by this Redevelopment Plan is on file with the St. Louis Development Corporation, 1015 Locust Street, Suite 1200, St. Louis, MO 63101.

If the TIF Redevelopment Project is completed, then each of the taxing districts will continue to receive all of the tax revenues currently received from the Redevelopment Area. Additionally, they will benefit from the additional property taxes and economic activity taxes which will be paid and not contributed to the TIF. The TIF Act allows for the collection of only 50% of the EATS for payment of project costs. The other 50% are distributed to the appropriate taxing authorities.

12. Does Not Include Gambling Establishment

The Redevelopment Plan does not include the initial development or redevelopment of any gambling establishment.

13. Reports to DED

As required by the TIF Act, the City shall report to the Department of Economic Development by the last day of February each year, the name, phone number, and primary line of business of any business which locates within the Redevelopment Area.

14. Historical Land Use of Property Within the Redevelopment Area

The property within the Redevelopment Area has historically been used as a discount grocery store since the construction of the building in 1962.

IV. FINANCING PLAN

1. Eligible Redevelopment Project Costs

The TIF Act provides for the use of tax increment revenues generated by a designated redevelopment area to pay all reasonable or necessary costs incurred, estimated to be incurred, or incidental to a redevelopment plan or redevelopment project within a designated TIF redevelopment area. A municipality may pledge all or any part of the funds in and to be deposited in the special allocation fund established for a redevelopment project area to the payment of redevelopment project costs and obligations within the redevelopment area, including the retention of funds for the payment of future redevelopment costs.

The estimated Redevelopment Project Costs to be incurred in connection with the TIF Project are approximately \$1.9 million, excluding any developer fees, and are set forth in **Appendix 2**. More specifically, the TIF Act allows the City and/or its designated developer(s) to incur redevelopment costs associated with implementation of an approved Redevelopment Plan and approved Redevelopment Project. These costs include all reasonable or necessary costs incurred, and any costs incidental to a Redevelopment Project. Thus, this Redevelopment Plan anticipates that a portion of the sources of funds used to pay the Project Costs

will come from the TIF revenues; such Project Costs, in accordance with the TIF Act, may include but are not limited to:

- Costs of studies, surveys, plans and specifications;
- Professional service costs including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services;
- Property assembly costs including, but not limited to, acquisition of land and other real or personal property rights, or interests therein;
- Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;
- Costs of construction of public works or improvements;
- Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include the payment of interest on any obligation issued under the provisions of this Redevelopment Plan accruing during the estimated period of construction of any Redevelopment Project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto; and
- All or a portion of a taxing district’s capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the City, by written agreement, accepts and approves such costs.

The costs shown on **Appendix 2** represent the total approximate costs of the project regardless of the source of funding. This table does not include all custom finishes over and above Developer-supplied finishes, which are unknown at this time. Typical plan implementation and financing costs are based on the experience of the Developer. It should be noted that these costs are based on the knowledge of the Project at this time and that the actual redevelopment cost items for implementing the Redevelopment Plan and the Redevelopment Project may vary from these estimates.

The following table illustrates the anticipated categories costs that will be funded in part by TIF, assuming the funding of up to \$1.9 million in Redevelopment Project Costs.

CATEGORY
Acquisition Costs
Demolition Costs (includes, but is not limited to, demolition of existing buildings and structures or parts thereof).
Site Preparation and Improvements Costs (includes, but is not limited to, street and sidewalk improvements, utility work and resetting of curbs and landscaping and lighting in the common areas).
Financing Costs (includes, but is not limited to, loan fees, disbursing fees, construction monitoring and inspection fees, lender’s legal fees, loan appraisals, flood certificates, tax credit investor fees and any and all other costs incurred by the Developer in connection with obtaining financing for and a tax credit investor in the Redevelopment Project).
Environmental Testing, Remediation and/or Abatement Costs.
Professional Service Costs (includes, but is not limited to, architectural, engineering, legal, marketing, financial, planning, or special services).
Building Construction and Parking Garage
TIF Costs & Issuance Costs incurred by the Developer
\$ 1,900,000 = TOTAL

It is not the intent of **Appendix 2**, the table provided above, or this Redevelopment Plan to restrict the City or the Developer to the cost amounts, categories or allocations as outlined. During the life of the Redevelopment Area, Plan, and Project, other costs may be incurred or adjustments may be made within and among the line items specified in **Appendix 2** and additional categories may be added to the extent allowed by the TIF Act, if necessary and reasonable to accomplish the program objectives of the Redevelopment Plan.

2. Anticipated Sources of Funding to Pay Redevelopment Project Costs

There are three (3) principal sources of potential funds that are anticipated to be used to pay the costs of implementation of the Redevelopment Plan and the Redevelopment Project previously described. These sources are:

- Private debt financing;
- Owner equity; and
- Funds available through the issuance of TIF notes, bonds, loans, or other certificates of indebtedness (herein collectively referred to as "TIF Note or other financial obligations").

The anticipated type of the sources of funds are set forth above and in **Appendix 2** attached hereto and incorporated herein by this reference; it is anticipated that the term of the private debt financing and owner equity will be coterminous with the construction of the Redevelopment Project, while the term of the TIF Note or other financial obligations is anticipated to be 23 years. It is not the intent of **Appendix 2** or this Redevelopment Plan to restrict the City or the Developer to the sources, terms or source amounts as outlined. During the life of the Redevelopment Agreement, Plan, and Project, sources may not be utilized, other sources may be found or adjustments may be made within or in addition to the sources specified in **Appendix 2**.

3. TIF Note Funding

This Redevelopment Plan proposes that the City initially authorize the issuance of one or more Tax Increment Financing Notes ("TIF Note") in a total amount up to One Million Nine Hundred Thousand and No/100 Dollars (\$1,900,000.00) plus issuance costs, to fund a portion of the Redevelopment Project Costs associated with completion of the Redevelopment Project, with a term of retirement for all such issues not more than 23 years. The TIF Notes or other financial obligations will be issued only to finance the Redevelopment Project and Redevelopment Project Costs as outlined in **Appendix 2** which are eligible costs as specified in Section 99.805(11) of the TIF Act, including any costs of issuing the TIF Notes or other financial obligations.

The Notes may be issued in one or more series and may include notes, temporary notes, or other financial obligations to be redeemed by TIF Notes upon completion of the Redevelopment Project. In addition, these Notes or other financial obligations may be privately placed. It is the City's intent to pay for the principal and interest on these Notes or other financial obligations, in any year, solely with money legally available for such purpose within the Union Club Special Allocation Fund.

The Union Club Special Allocation Fund will contain at least two accounts as provided for and in accordance with the TIF Act:

1. The "PILOTS Account" will contain all payments in lieu of taxes derived from all taxable lots, blocks, tracts, and parcels of real property (or any interest therein) within the Redevelopment Area as contemplated by this Redevelopment Plan and in accordance with the TIF Act; and
2. The "Economic Activity Taxes ("EATS") Account" will contain fifty percent (50%) of the total funds from taxes imposed by the City which are generated by the operations and activities within the Redevelopment Area, excluding licenses, fees or special assessments, and excluding personal property taxes and payments to the PILOTS Account, in accordance with the TIF Act.

Funds on deposit in the PILOTS Account and EATS Account will be pledged to the payment of the Redevelopment Project Costs. Such payment obligations shall not constitute debts or liabilities of the City, the State of Missouri, or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction and neither the City nor the State of Missouri shall be liable thereon except from the PILOTS Account, and, to the extent appropriated by the City on an annual basis, the EATS Account, from funds derived from other taxes deposited into the Special Allocation Fund.

4. Evidence of Commitment to Finance Redevelopment Project Costs

Appendix 7 contains a preliminary commitment letter provided by St. Louis Bank, which has made a preliminary review of the development proposal and has expressed a commitment to provide financing of Redevelopment Project Costs associated with the Redevelopment Project.

**APPENDIX 1
UNION CLUB TIF REDEVELOPMENT PLAN
LEGAL DESCRIPTION AND MAP OF REDEVELOPMENT AREA**

Parcel No. 1: A portion of the 15 feet wide East and West alley in City Block No. 1323, as vacated by Ordinance No. 59478 by the City of Saint Louis, Missouri, on July 1, 1985, and being more particularly described as follows: Beginning at the Southwesterly corner of land now or formerly of the Lafayette Park Methodist Church, said corner being distant 216 feet, as measured along the Northerly line of said alley, from the Westerly line of Missouri (60 feet wide) Avenue; thence Southerly along the extension of the Westerly line of Lafayette Park Methodist Church land a distance of 15.00 feet to the Southerly line of said alley; thence Westerly along said Southerly line and Northerly right of way line of Missouri Interstate Highway I-44 a distance of 187 feet, more or less, to a point; thence leaving said Southerly line, along a Northwesterly line and Northeasterly right-of-way line of said I-44 a distance

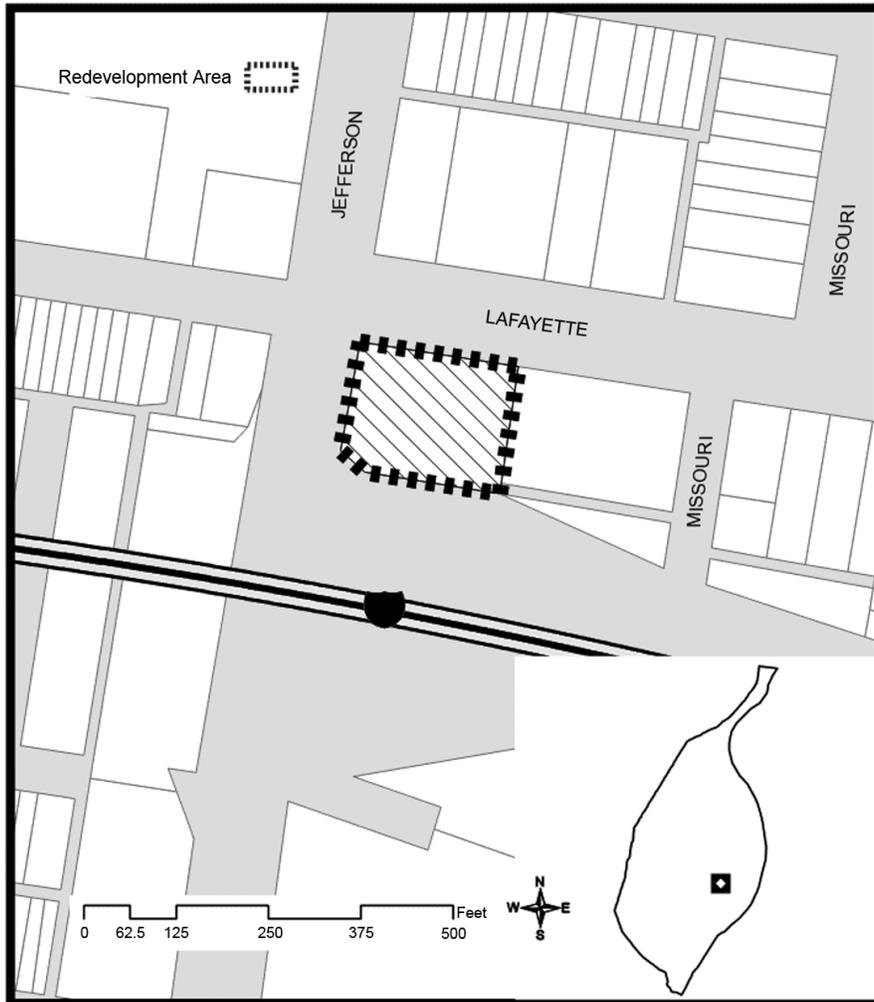
of 18 feet, more or less, to a point on the Northerly line of said alley, said point being 40 feet, more or less, from the Easterly line of Jefferson (120 feet wide) Avenue thence Easterly along said Northerly line a distance of 197 feet, more or less, to the point of beginning.

Parcel No. 2: A lot in City Block No. 1323 of the City of Saint Louis, Missouri, fronting 236 feet on the South line of Lafayette Avenue, by a depth Southwardly along the East line of Jefferson Avenue 145 feet to an alley and a depth Southwardly on the East line of said lot 150 feet to an alley, being bounded on the North by Lafayette Avenue, South by the North line of an alley, West by the East line of Jefferson Avenue, and East by the West line of property now or formerly of Given Campbell.

Street Address: 1700 S. Jefferson (63104)
Parcel No. 1323-00-01200

BOUNDARY

Union Club
Redevelopment Area
City of St. Louis, Missouri



**APPENDIX 2
UNION CLUB TIF REDEVELOPMENT PLAN
ANTICIPATED SOURCES AND USES OF FUNDS**

Sources and Uses

USES

Acquisition Costs	\$	615,000
Hard Construction Costs		
Demolition	\$	160,000
Site Preparation	\$	300,000
Additional Site Work	\$	200,000
Building Shell	\$	6,295,000
Fit Out	\$	1,755,000
Construction Contingency	\$	619,700
Soft Costs		
Architectural	\$	280,000
TIF Fees	\$	75,000
Legal Fees	\$	15,000
Engineering	\$	15,000
Property Survey	\$	10,000
Property Appraisal	\$	7,500
Environmental Report	\$	1,000
Financing Costs		
Construction Period Insurance	\$	7,500
Construction Period Interest	\$	470,187
Construction Loan Fee	\$	75,000
Construction Period Taxes	\$	4,000
Title, Recording & Disbursing	\$	75,000
Accounting	\$	
Fees	\$	5,000
Marketing Costs		
Advertising & Promotion	\$	5,000
Sales Literature	\$	5,000
Display Costs - Furnishings	\$	10,000
Commission	\$	573,183
Soft Costs Contingency	\$	100,000
TOTAL USES	\$	11,678,070

SOURCES

TIF	\$	1,900,000
Construction Loan	\$	9,778,070
TOTAL SOURCES	\$	11,678,070

**APPENDIX 3
ANALYSIS OF CONDITIONS REPRESENTING A BLIGHTED AREA FOR THE
UNION CLUB REDEVELOPMENT AREA**

**ANALYSIS OF CONDITIONS
REPRESENTING A BLIGHTED AREA**

for the

UNION CLUB TIF REDEVELOPMENT AREA

**UNION CLUB TIF REDEVELOPMENT PLAN
November 16, 2005**

**City of St. Louis, Missouri
Tax Increment Financing Commission**

TIF ELIGIBILITY

The Redevelopment Area (the "Area") established in the Union Club TIF Redevelopment Plan (the "TIF Redevelopment Plan") is a blighted area based upon the fact that it exhibits the factors set in the TIF Act (Section 99.805(1). MO. REV. STAT.).

As defined, a "blighted area" is:

An area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

Blighting factors and conditions present in the Redevelopment Area include:

- 1) Deterioration of Site Improvements:
 - a) Building interior and exterior;
 - b) Sidewalks and curbs;
 - c) Site improvements; and
 - d) Systems and components.
- 2) Unsanitary and unsafe conditions resulting from:
 - a) Trash and debris; and
 - b) Exterior site conditions.
- 3) Improper Subdivision or Obsolete Platting;
 - a) Lack of land coverage and density; and
 - b) Failure to allow for vertical development.
- 4) Existence of Conditions which Endanger Lives or Property by Fire or Other Causes.
- 5) Economic and Social Liability:
 - a) Deferred maintenance and lack of investment;
 - b) Excessive Vacancy; and
 - c) Uncompetitive position.

The factors listed above will persist and continue to decline until the comprehensive redevelopment of the Area is undertaken.

A map providing an overview of such conditions is attached hereto as Exhibit 1, along with Photographs of Conditions in the Area attached hereto as Exhibit 2.

DATA COLLECTION METHODS

This study has been designed and conducted to comply with the specific requirements of Section 99.805 (1) RSMo. The study and the requisite fieldwork were performed during the month of November 2005. Observations and conclusions are based upon on-site inspections of the Redevelopment Area and familiarity with the local market.

In determining if the proposed Redevelopment Area meets the eligibility requirements for TIF per the TIF Act, a number of sources of information were utilized. These include, but are not limited to, the following:

- a. Survey of the condition and use of the Redevelopment Area;
- b. Public documents relating to the history and/or condition of the Area;
- c. Professional assessments of the condition of the Area; and
- d. Analysis of existing uses and their relationships.

OVERVIEW OF REDEVELOPMENT AREA

The Redevelopment Area consists of one parcel in City Block 1323, as shown on [Appendix 1](#) to the TIF Redevelopment Plan. The Area contains a vacant Aldi's building, with a complimentary surface parking lot.

DISCUSSION OF BLIGHT IN THE REDEVELOPMENT AREA

- 1) Deterioration of Site Improvements. In general, deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair. Deterioration may be evident in basically sound buildings containing minor defects, such as a lack of painting, loose or missing roof tiles, floor or ceiling panes, or holes and cracks over limited areas. Deterioration which is not easily curable, however, and which cannot be accomplished in the course of normal maintenance, includes buildings with defects in the primary and secondary building components. Primary building components include the foundation, exterior walls, floors, roofs, wiring, plumbing, etc. Secondary building components include the doors, windows, frames, fire escapes, gutters, downspouts, fascia materials, etc. Deterioration of streets and alleys includes evidence of pot holes, cracks, depressions, overgrowth, and poor drainage. Deterioration of sidewalks is evidenced by settled areas, cracks, gravel sections, overgrowth, or depressed curb areas.

Deterioration of the structure has fostered evidence of obsolescence as the site is outmoded and beyond its intended use. Construction of the building was completed 43 years ago in 1962, and lacks any significant updating. The Area has become functionally obsolete, as noted by its vacancy and the lack of necessary maintenance of the structure and site improvements.

The exterior condition of the Area exhibits clear evidence of deterioration of building components and site improvements. The building's fascia materials were missing, rotted, and skewed with peeling paint and graffiti. Broken, cracked, or shattered window panes exposed the building to elements as glass fragments covered areas adjacent to the building. A dilapidated roof revealed signs of leaks with missing and skewed shingles. Some portions of the exterior brick walls reveal significant structural defects such as bowing, while many portions are discolored from leaking storm-water gutters and require tuckpointing. Door and window frames along with soffits are degraded in various places with rust, discoloration, peeling paint, and rotted wood components.

The parking areas, sidewalks, and curbing are substantially deteriorated and need to be replaced as they are uneven and crumbling impairing the attractiveness, marketability, and safety of the Area. Standing water from precipitation on sidewalk and parking areas is evidenced by large surfaces of dirt sediment. The Area also suffers from the presence of debris and refuse, as deleterious conditions have not been remedied, evidencing a general lack of maintenance. Finally, the concrete retaining wall surrounding the parking area is lacking and suffers from large cracks.

Deterioration also includes lack of maintenance and upkeep to the yard and landscaping areas. The property lacks any provisions for the maintenance and upkeep of landscaping amenities. Noxious weeds and trees have infested many areas, including designated shrubs and trees, which have been neglected entirely.

The Area also suffers from deterioration of several interior building components. The dilapidated roof has caused significant interior water damage. Floors and walls exhibited signs of significant deterioration with rot and degradation. The ceiling has been completely destroyed, contributing to the structures obsolescence. More significantly, due to the building's age and lack of maintenance or updating, several important building components are outmoded and beyond their intended use, including: HVAC, plumbing and electric systems, and the fire protection scheme.

- 2) Unsanitary or Unsafe Conditions. In addition to the general physical deterioration stated above, the Area contains unsanitary or unsafe conditions.

The outdated mechanical and utilities infrastructure in the Area is unsafe, especially with respect to electrical and fire prevention systems. The existence of refuse and debris on the exterior portions of the Area is clearly detrimental and unsanitary. Furthermore, the condition of exterior sidewalks and parking area is also unsafe and warrant immediate

attention as treacherous conditions may be caused with standing water or precipitation with respect to cooler weather.

- 3) Improper Subdivision or Obsolete Platting. The Area's platting results in its vacancy and impedes the uses noted for the Area in the Lafayette Square Neighborhood - Urban Plan and the Strategic Land Use Plan of the City. The Area in its current state is intended and oriented for a discount grocery store. In its current state, however, the Area is not marketable, and is inconsistent with City's stated development objectives. Due to recent developments in traffic and parking patterns, as well as a shift in the predominant uses in this portion of the Lafayette Square Neighborhood since the time of this building's original construction, the building's size and orientation are improper. The current orientation of the building on the site and the corresponding lack of density fail to optimize the occupancy of the Area.

The Building was built in 1962, and at the time, the Area was developed without the benefit or guidance of a community development plan. Since that time, the Lafayette Square Neighborhood - Urban Plan has recognized mixed-use development as appropriate for the areas near the intersection of Jefferson Avenue and Lafayette Avenue. Due to the absence of effective community planning, platting of the Area has become obsolete as the surrounding neighborhood has, in accordance with the City's recognized development objectives, moved toward the comprehensive revitalization of the Lafayette Square Neighborhood. This obsolescence leaves the Area with limited potential and ability to meet its economic potential despite its location.

- 4) Existence of Conditions which Endanger Lives or Property by Fire and Other Causes. Endangerment by fire and other causes is typically due to the presence of structures below minimum code standards. Such code standards include building, housing, property maintenance, fire, environmental, or other governmental codes applicable to a particular property. The principal purpose of such codes is to require buildings to be constructed and maintained so that they will have the capacity to support the type of occupancy, and necessary fire and similar hazard protection, or to establish the minimum standards essential for safe and sanitary use, occupation, and/or habitation. The deteriorated structure and site improvements within the Area are not only below minimum code standards but are also beyond repair. Such conditions pose a significant safety hazard and endanger lives or property within the Area by fire or other causes.

ECONOMIC AND SOCIAL LIABILITY

Due to the predominance of blighting factors discussed above, the Area in its current condition is a significant liability to the social welfare and economic independence of the City. As noted above, the Area suffers from obvious neglect and a clear lack of investment. This disparity has fostered a state of economic obsolescence as the property is no longer marketable because of its condition and location, and has become an economic burden to the City. Deterioration and subsequent obsolescence of the Area has contributed to the lack of physical maintenance, abandonment, and excessive vacancy.

The Area in its current condition hampers the economic vitality and independence of the City by failing to generate tax revenue and discouraging reinvestment in or maintenance of this property. The Area's physical condition and level of underutilization, combined with the vacancy of the Building, diminishes its potential to generate property tax revenues for the City up to its full potential. Without the comprehensive renovation and redevelopment of the Area, its physical condition will continue to deteriorate and its economic efficiency will continue to decrease.

The Redevelopment Area has been vacated with deferred maintenance, and it has become further blighted. The above blighting factors and conditions have fostered economic obsolescence in the Area. The type of economic underutilization seen in the Redevelopment Area has been recognized as a blighting condition by the Missouri Supreme Court case Tierney v. Planned Industrial Expansion Authority of Kansas City, Missouri, 742 S.W. 2d 146, 151 (Mo. 1987).

In Tierney at 151, the Court stated:

...(10) The owners, finally, attack the concept of "economic underutilization"... They suggest that almost all land could be put to a higher and better use, and argue that the concept of economic under-utilization is so broad...

We do not find the fault or the danger perceived. The concept of urban redevelopment has gone far beyond "slum clearance" and the concept of economic underutilization is a valid one. This is explicit in State ex rel. Atkinson v. Planned Industrial Expansion Authority of St. Louis, 517 S.W.2d 36 (Mo. Banc 1975), sustaining the statutes governing this case. Centrally located urban land is scarce. The problems of assembling tracts of sufficient size to attract developers, and of clearing uneconomic structures, are substantial and serious... We need not repeat all of the evidence which has before the city council tending to show that redevelopment of this area would promote a higher level of economic activity, increased employment, and greater services to the public...

The economic underutilization of the property contributes to the eligibility of the Redevelopment Area. The comprehensive redevelopment of the site will foster much needed economic activity and add to the success of City.

Indeed, the Area is now in an especially precarious position, as the only tenant of the Building has vacated the premises. This vacancy has resulted in the continued lack of maintenance and corresponding physical deterioration of the Area, which problems can only be remediated by the type of comprehensive redevelopment such as is a part of the Redevelopment Project. If such physical deterioration is allowed to continue, the Area, in addition to failing to generate tax revenue and economic activity anywhere near its potential, will become a financial burden on the City.

Exhibit 1 to
ANALYSIS OF CONDITIONS REPRESENTING A BLIGHTED AREA
for the UNION CLUB REDEVELOPMENT AREA

“Map of Blight Conditions”

MAP OF BLIGHT CONDITIONS

Union Club
Redevelopment Area
City of St. Louis, Missouri

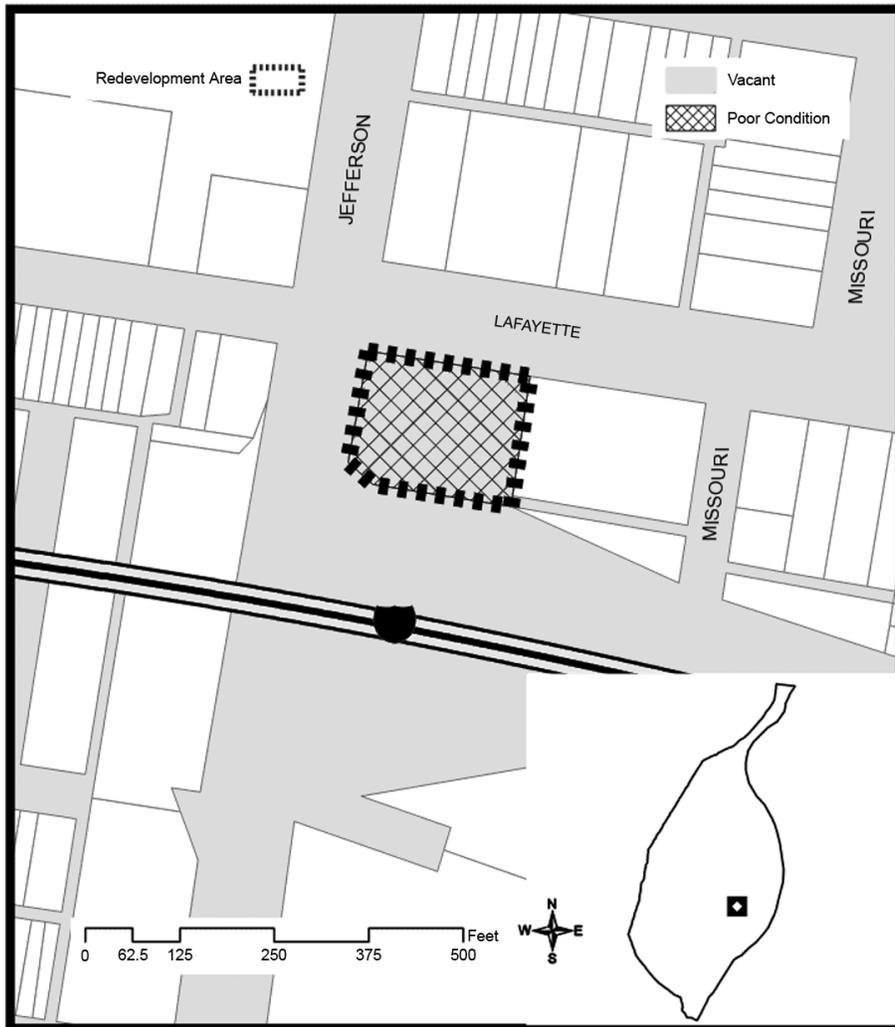


Exhibit 2
Photographs of Conditions in the Area















**APPENDIX 4
UNION CLUB TIF REDEVELOPMENT PLAN
ANTICIPATED REDEVELOPMENT PROJECT SCHEDULE**

First TIF Commission Meeting	11/9/05
Submit Redevelopment Plan to TIF Commission (at least 45 days prior to public hearing)	11/16/05
Mailing of Notice of TIF Commission Public Hearing to Taxing Districts (not less than 45 days prior to hearing) (RSMo. 99.830.3)	11/23/05
First Publication of Notice of TIF Commission Public Hearing (not more than 30 days prior to hearing) (RSMo. 99.830.1)	12/14/05
Written Notice to Property Owners (not less than 10 days prior to public hearing) (RSMo. 99.830.3)	12/14/05
Second Publication of Notice of TIF Commission Public Hearing (not more than 10 days prior to public hearing) (RSMo. 99.830.1)	12/28/05
Public Hearing by TIF Commission (RSMO. '99.825)	1/11/06
TIF Commission Recommendation to Board of Alderman (within 90 days of TIF Public Hearing) (RSMo. 99.820.3)	1/11/06
HUDZ Committee Hearing on TIF Ordinances	1/25/06
TIF Ordinances Introduced adopting plan, approving project, establishing district, establishing special allocation fund, approving redevelopment agreement and authorizing issuance of TIF Notes (between 14 and 90 days after hearing) (RSMo. 99.820.1[1])	1/27/06
Second Reading of TIF Ordinances	2/3/06
Perfection of Board Bill(s)	2/10/06
Third Reading and Final Passage of TIF Ordinances	2/17/06
Mayor Signs Bills	3/1/06
Full Construction Commences	6/1/06
Construction Complete	6/1/09

**APPENDIX 5
UNION CLUB TIF REDEVELOPMENT PLAN
CURRENT AND HISTORICAL INFORMATION CONCERNING THE EQUALIZED ASSESSED VALUE
OF REDEVELOPMENT AREA AND ECONOMIC ACTIVITY TAXES
WITHIN THE REDEVELOPMENT AREA**

<u>Street Address</u>	<u>Tax ID</u>	<u>Equalized Assessed Value</u>
1700 S. Jefferson Avenue	13230001200	\$ 168,200.00

HISTORY OF ASSESSED VALUE

TERM	AV	% CHANGE
2001	\$ 75,300	
2002	\$ 75,300	0.0%
2003	\$ 137,600	82.7%
2004	\$ 137,600	0.0%
2005	\$ 168,200	22.2%

Information concerning Economic Activity Taxes (EATs) is non-public and thus, not available at this time.

APPENDIX 6
UNION CLUB TIF REDEVELOPMENT PLAN
DEVELOPER'S AFFIDAVIT

STATE OF MISSOURI)
)
City OF ST. LOUIS)

AFFIDAVIT

I, the undersigned, am over the age of 18 years and have personal knowledge of matters stated herein.

The undersigned swears, affirms and certifies the following to be true to induce the approval of Tax Increment Financing for the Redevelopment Area described in the Union Club Tax Increment Financing Redevelopment Plan, initially dated November 18, 2005 (the "Redevelopment Plan").

1. I am a duly authorized representative of Gilded Age Renovation, LLC (the "Developer") and am authorized by the Developer to attest to the matters set forth herein.

2. I am familiar with the Redevelopment Area described in the Redevelopment Plan. In my opinion, based on the factors set forth in the Redevelopment Plan, the Redevelopment Area, on the whole, qualifies as a "blighted area" as defined in Section 99.805(3) of the Missouri Revised Statutes (2000), and has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing.

And Further Affiant Sayeth Not.

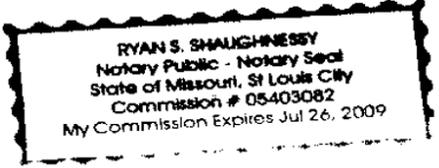
Gilded Age Renovation, LLC
a Missouri limited liability company

By: [Signature]
Name: Ryan S. Shaughnessy
Title: Managing Member

Subscribe and swear to before me this 15th day of November, 2005.

[Signature]
Notary Public

My Commission Expires: _____



APPENDIX 7
UNION CLUB TIF REDEVELOPMENT PLAN
EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS

10/17/2005 MON 09:48 TXLJ 88 (TX/RX NO 7823) [2]003



October 17, 2005

Union Club Condominiums, LLC
Chris Goodson
Trace Shaughnessy
1802 Lafayette Avenue
St. Louis, MO 63104

Re: Proposed Union Club Condominiums, 1700 S. Jefferson Ave.

Dear Chris and Trace,

The purpose of this letter is to confirm St. Louis Bank's commitment to provide construction financing for your proposed Union Club Condominium project to be located at 1700 S. Jefferson Street, St. Louis, MO.

As stated in the Bank's letter of commitment, construction financing will be contingent upon the City of St. Louis providing necessary tax increment financing (TIF). As we have discussed, the project does not appear feasible without TIF assistance.

Should you have any questions, or to further discuss this issue, please do not hesitate to call me (314) 851-6211.

Sincerely,

Jason L. Koelling
Vice-President - Commercial Lending

14323 S. Outer Forty Road • Town and Country, MO 63017 • Office: 314.851.6200 • Fax: 314.851.6300 • www.stlouisbank.com

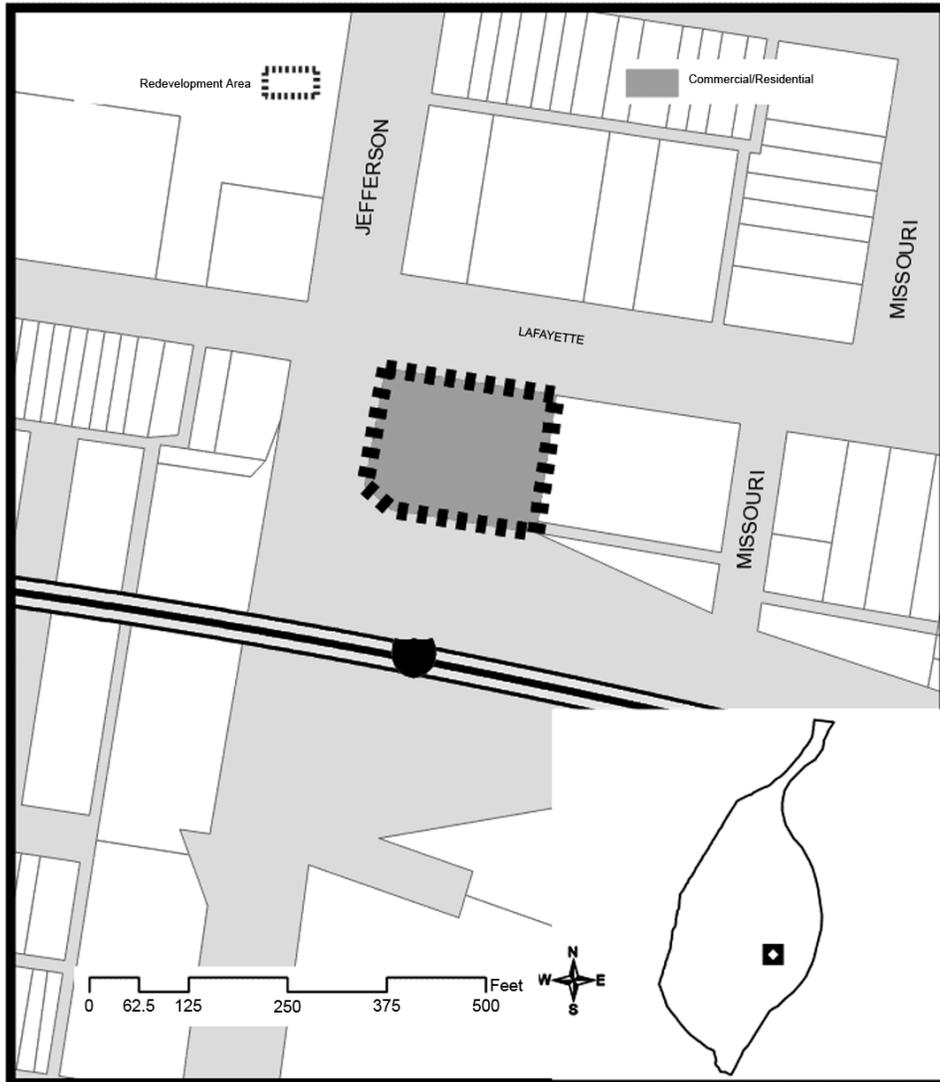
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ST LOUIS BANK 10:48AM 10/17/2005

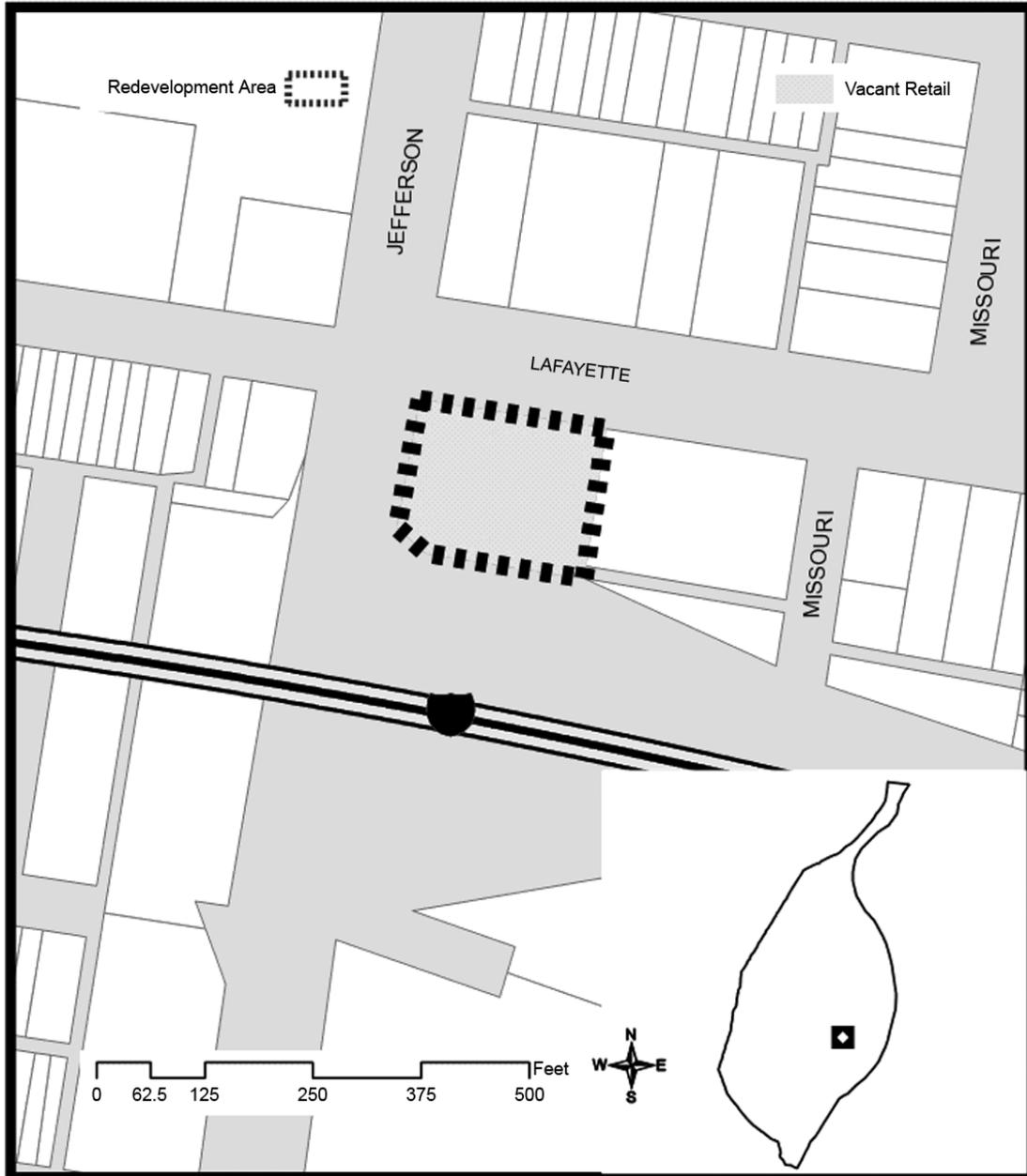
APPENDIX 8
UNION CLUB TIF REDEVELOPMENT PLAN
GENERAL LAND USES TO APPLY

GENERAL LAND USE
Union Club
Redevelopment Area
City of St. Louis, Missouri



EXISTING LAND USE

Union Club
Redevelopment Area
City of St. Louis, Missouri



**APPENDIX 9
UNION CLUB TIF REDEVELOPMENT PLAN
REAL PROPERTY TAX INCREMENT ALLOCATION ACT**

SECTIONS 99.800 to 99.865, MISSOURI REVISED STATUTES

Law, how cited.

99.800. Sections 99.800 to 99.865 shall be known and may be cited as the "Real Property Tax Increment Allocation Redevelopment Act".

(L. 1982 H.B. 1411 & 1587 § 1)

Definitions.

99.805. As used in sections 99.800 to 99.865, unless the context clearly requires otherwise, the following terms shall mean:

- (1) "Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;
- (2) "Collecting officer", the officer of the municipality responsible for receiving and processing payments in lieu of taxes or economic activity taxes from taxpayers or the department of revenue;
- (3) "Conservation area", any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning. A conservation area shall meet at least three of the factors provided in this subdivision for projects approved on or after December 23, 1997;
- (4) "Economic activity taxes", the total additional revenue from taxes which are imposed by a municipality and other taxing districts, and which are generated by economic activities within a redevelopment area over the amount of such taxes generated by economic activities within such redevelopment area in the calendar year prior to the adoption of the ordinance designating such a redevelopment area, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments. For redevelopment projects or redevelopment plans approved after December 23, 1997, if a retail establishment relocates within one year from one facility to another facility within the same county and the governing body of the municipality finds that the relocation is a direct beneficiary of tax increment financing, then for purposes of this definition, the economic activity taxes generated by the retail establishment shall equal the total additional revenues from economic activity taxes which are imposed by a municipality or other taxing district over the amount of economic activity taxes generated by the retail establishment in the calendar year prior to its relocation to the redevelopment area;
- (5) "Economic development area", any area or portion of an area located within the territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and (3) of this section, and in which the governing body of the municipality finds that redevelopment will not be solely used for development of commercial businesses which unfairly compete in the local economy and is in the public interest because it will:
 - (a) Discourage commerce, industry or manufacturing from moving their operations to another state; or
 - (b) Result in increased employment in the municipality; or
 - (c) Result in preservation or enhancement of the tax base of the municipality;
- (6) "Gambling establishment", an excursion gambling boat as defined in section 313.800, RSMo, and any related business facility including any real property improvements which are directly and solely related to such business facility, whose sole purpose is to provide goods or services to an excursion gambling boat and whose majority ownership interest is held by a person licensed to conduct gambling games on an excursion gambling boat or licensed to operate an excursion gambling boat as provided in sections 313.800 to 313.850, RSMo. This subdivision shall be applicable only to a redevelopment area designated by ordinance adopted after December 23, 1997;
- (7) "Municipality", a city, village, or incorporated town or any county of this state. For redevelopment areas or projects approved on or after December 23, 1997, "municipality" applies only to cities, villages, incorporated towns or counties

- established for at least one year prior to such date;
- (8) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a municipality to carry out a redevelopment project or to refund outstanding obligations;
 - (9) "Ordinance", an ordinance enacted by the governing body of a city, town, or village or a county or an order of the governing body of a county whose governing body is not authorized to enact ordinances;
 - (10) "Payment in lieu of taxes", those estimated revenues from real property in the area selected for a redevelopment project, which revenues according to the redevelopment project or plan are to be used for a private use, which taxing districts would have received had a municipality not adopted tax increment allocation financing, and which would result from levies made after the time of the adoption of tax increment allocation financing during the time the current equalized value of real property in the area selected for the redevelopment project exceeds the total initial equalized value of real property in such area until the designation is terminated pursuant to subsection 2 of section 99.850;
 - (11) "Redevelopment area", an area designated by a municipality, in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area, a conservation area, an economic development area, an enterprise zone pursuant to sections 135.200 to 135.256, RSMo, or a combination thereof, which area includes only those parcels of real property directly and substantially benefited by the proposed redevelopment project;
 - (12) "Redevelopment plan", the comprehensive program of a municipality for redevelopment intended by the payment of redevelopment costs to reduce or eliminate those conditions, the existence of which qualified the redevelopment area as a blighted area, conservation area, economic development area, or combination thereof, and to thereby enhance the tax bases of the taxing districts which extend into the redevelopment area. Each redevelopment plan shall conform to the requirements of section 99.810;
 - (13) "Redevelopment project", any development project within a redevelopment area in furtherance of the objectives of the redevelopment plan; any such redevelopment project shall include a legal description of the area selected for the redevelopment project;
 - (14) "Redevelopment project costs" include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable. Such costs include, but are not limited to, the following:
 - (a) Costs of studies, surveys, plans, and specifications;
 - (b) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services. Except the reasonable costs incurred by the commission established in section 99.820 for the administration of sections 99.800 to 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be included in the costs of a redevelopment plan or project;
 - (c) Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
 - (d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;
 - (e) Initial costs for an economic development area; (f) Costs of construction of public works or improvements;
 - (g) Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued pursuant to sections 99.800 to 99.865 accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto;
 - (h) All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
 - (i) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or are required to be paid by federal or state law;
 - (j) Payments in lieu of taxes;
 - (15) "Special allocation fund", the fund of a municipality or its commission which contains at least two separate segregated accounts for each redevelopment plan, maintained by the treasurer of the municipality or the treasurer of the commission into which payments in lieu of taxes are deposited in one account, and economic activity taxes and other revenues are deposited in the other account;

- (16) "Taxing districts", any political subdivision of this state having the power to levy taxes;
- (17) "Taxing districts' capital costs", those costs of taxing districts for capital improvements that are found by the municipal governing bodies to be necessary and to directly result from the redevelopment project; and
- (18) "Vacant land", any parcel or combination of parcels of real property not used for industrial, commercial, or residential buildings.

(L. 1982 H.B. 1411 & 1587 § 2, A.L. 1986 H.B. 989 & 1390 merged with S.B. 664, A.L. 1991 H.B. 502, A.L. 1997 2d Ex. Sess. S.B. 1) Effective 12-23-97
Redevelopment plan, contents, adoption of plan, required findings --time limitations--reports by department of economic development, required when, contents.

99.810. 1. Each redevelopment plan shall set forth in writing a general description of the program to be undertaken to accomplish the objectives and shall include, but need not be limited to, the estimated redevelopment project costs, the anticipated sources of funds to pay the costs, evidence of the commitments to finance the project costs, the anticipated type and term of the sources of funds to pay costs, the anticipated type and terms of the obligations to be issued, the most recent equalized assessed valuation of the property within the redevelopment area which is to be subjected to payments in lieu of taxes and economic activity taxes pursuant to section 99.845, an estimate as to the equalized assessed valuation after redevelopment, and the general land uses to apply in the redevelopment area. No redevelopment plan shall be adopted by a municipality without findings that:

- (1) The redevelopment area on the whole is a blighted area, a conservation area, or an economic development area, and has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing. Such a finding shall include, but not be limited to, a detailed description of the factors that qualify the redevelopment area or project pursuant to this subdivision and an affidavit, signed by the developer or developers and submitted with the redevelopment plan, attesting that the provisions of this subdivision have been met;
- (2) The redevelopment plan conforms to the comprehensive plan for the development of the municipality as a whole;
- (3) The estimated dates, which shall not be more than twenty-three years from the adoption of the ordinance approving a redevelopment project within a redevelopment area, of completion of any redevelopment project and retirement of obligations incurred to finance redevelopment project costs have been stated, provided that no ordinance approving a redevelopment project shall be adopted later than ten years from the adoption of the ordinance approving the redevelopment plan under which such project is authorized and provided that no property for a redevelopment project shall be acquired by eminent domain later than five years from the adoption of the ordinance approving such redevelopment project;
- (4) A plan has been developed for relocation assistance for businesses and residences;
- (5) A cost-benefit analysis showing the economic impact of the plan on each taxing district which is at least partially within the boundaries of the redevelopment area. The analysis shall show the impact on the economy if the project is not built, and is built pursuant to the redevelopment plan under consideration. The cost-benefit analysis shall include a fiscal impact study on every affected political subdivision, and sufficient information from the developer for the commission established in section 99.820 to evaluate whether the project as proposed is financially feasible;
- (6) A finding that the plan does not include the initial development or redevelopment of any gambling establishment, provided however, that this subdivision shall be applicable only to a redevelopment plan adopted for a redevelopment area designated by ordinance after December 23, 1997.

2. By the last day of February each year, each commission shall report to the director of economic development the name, address, phone number and primary line of business of any business which relocates to the district. The director of the department of economic development shall compile and report the same to the governor, the speaker of the house and the president pro tempore of the senate on the last day of April each year.

(L. 1982 H.B. 1411 & 1587 § 3 subsec. 1, A.L. 1986 S.B. 664 merged with H.B. 989 & 1390, A.L. 1987 S.B. 367 Revision, A.L. 1991 H.B. 502, A.L. 1993 H.B. 566, A.L. 1997 2d Ex. Sess. S.B. 1)

Effective 12-23-97

County implementing project within boundaries of municipality, permission required--definition of municipality to include county.

99.815. When a county of this state desires to implement a tax increment financing project within the boundaries of a municipality partially or totally within the county, such county shall first obtain the permission of the governing body of the municipality located within the county. When the term "municipality" is used within sections 99.800 to 99.865, such term may be interpreted to include a county implementing a tax incremental financing project.

(L. 1982 H.B. 1411 & 1587 § 3 subsec. 2)

Municipalities' powers and duties--commission appointment and powers--public disclosure requirements--officials' conflict of interest, prohibited.

99.820. 1. A municipality may:

- (1) By ordinance introduced in the governing body of the municipality within fourteen to ninety days from the completion of the hearing required in section 99.825, approve redevelopment plans and redevelopment projects, and designate redevelopment project areas pursuant to the notice and hearing requirements of sections 99.800 to 99.865. No redevelopment project shall be approved unless a redevelopment plan has been approved and a redevelopment area has been designated prior to or concurrently with the approval of such redevelopment project and the area selected for the redevelopment project shall include only those parcels of real property and improvements thereon directly and substantially benefited by the proposed redevelopment project improvements;
- (2) Make and enter into all contracts necessary or incidental to the implementation and furtherance of its redevelopment plan or project;
- (3) Pursuant to a redevelopment plan, subject to any constitutional limitations, acquire by purchase, donation, lease or, as part of a redevelopment project, eminent domain, own, convey, lease, mortgage, or dispose of, land and other property, real or personal, or rights or interests therein, and grant or acquire licenses, easements and options with respect thereto, all in the manner and at such price the municipality or the commission determines is reasonably necessary to achieve the objectives of the redevelopment plan. No conveyance, lease, mortgage, disposition of land or other property, acquired by the municipality, or agreement relating to the development of the property shall be made except upon the adoption of an ordinance by the governing body of the municipality. Each municipality or its commission shall establish written procedures relating to bids and proposals for implementation of the redevelopment projects. Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating to the development of property shall be made without making public disclosure of the terms of the disposition and all bids and proposals made in response to the municipality's request. Such procedures for obtaining such bids and proposals shall provide reasonable opportunity for any person to submit alternative proposals or bids;
- (4) Within a redevelopment area, clear any area by demolition or removal of existing buildings and structures;
- (5) Within a redevelopment area, renovate, rehabilitate, or construct any structure or building;
- (6) Install, repair, construct, reconstruct, or relocate streets, utilities, and site improvements essential to the preparation of the redevelopment area for use in accordance with a redevelopment plan;
- (7) Within a redevelopment area, fix, charge, and collect fees, rents, and other charges for the use of any building or property owned or leased by it or any part thereof, or facility therein;
- (8) Accept grants, guarantees, and donations of property, labor, or other things of value from a public or private source for use within a redevelopment area;
- (9) Acquire and construct public facilities within a redevelopment area;
- (10) Incur redevelopment costs and issue obligations;
- (11) Make payment in lieu of taxes, or a portion thereof, to taxing districts;
- (12) Disburse surplus funds from the special allocation fund to taxing districts as follows:
 - (a) Such surplus payments in lieu of taxes shall be distributed to taxing districts within the redevelopment area which impose ad valorem taxes on a basis that is proportional to the current collections of revenue which each taxing district receives from real property in the redevelopment area;
 - (b) Surplus economic activity taxes shall be distributed to taxing districts in the redevelopment area which impose economic activity taxes, on a basis that is proportional to the amount of such economic activity taxes the taxing district would have received from the redevelopment area had tax increment financing not been adopted;
 - (c) Surplus revenues, other than payments in lieu of taxes and economic activity taxes, deposited in the special allocation fund, shall be distributed on a basis that is proportional to the total receipt of such other revenues in such account in the year prior to disbursement;
- (13) If any member of the governing body of the municipality, a member of a commission established pursuant to subsection 2 of this section, or an employee or consultant of the municipality, involved in the planning and preparation of a redevelopment plan, or redevelopment project for a redevelopment area or proposed redevelopment area, owns or controls an interest, direct or indirect, in any property included in any redevelopment area, or proposed redevelopment area, which property is designated to be acquired or improved pursuant to a redevelopment project, he or she shall disclose the same in writing to the clerk of the municipality, and shall also so disclose the dates, terms, and conditions of any disposition of any such interest, which disclosures shall be acknowledged by the governing body of the municipality and entered upon the minutes books of the governing body of the municipality. If an individual holds such an interest, then that individual shall refrain from any further official involvement in regard to such redevelopment plan, redevelopment project or

redevelopment area, from voting on any matter pertaining to such redevelopment plan, redevelopment project or redevelopment area, or communicating with other members concerning any matter pertaining to that redevelopment plan, redevelopment project or redevelopment area. Furthermore, no such member or employee shall acquire any interest, direct or indirect, in any property in a redevelopment area or proposed redevelopment area after either (a) such individual obtains knowledge of such plan or project, or (b) first public notice of such plan, project or area pursuant to section 99.830, whichever first occurs;

- (14) Charge as a redevelopment cost the reasonable costs incurred by its clerk or other official in administering the redevelopment project. The charge for the clerk's or other official's costs shall be determined by the municipality based on a recommendation from the commission, created pursuant to this section.

2. Prior to adoption of an ordinance approving the designation of a redevelopment area or approving a redevelopment plan or redevelopment project, the municipality shall create a commission of nine persons if the municipality is a county or a city not within a county and not a first class county with a charter form of government with a population in excess of nine hundred thousand, and eleven persons if the municipality is not a county and not in a first class county with a charter form of government having a population of more than nine hundred thousand, and twelve persons if the municipality is located in or is a first class county with a charter form of government having a population of more than nine hundred thousand, to be appointed as follows:

- (1) In all municipalities two members shall be appointed by the school boards whose districts are included within the redevelopment plan or redevelopment area. Such members shall be appointed in any manner agreed upon by the affected districts;
- (2) In all municipalities one member shall be appointed, in any manner agreed upon by the affected districts, to represent all other districts levying ad valorem taxes within the area selected for a redevelopment project or the redevelopment area, excluding representatives of the governing body of the municipality;
- (3) In all municipalities six members shall be appointed by the chief elected officer of the municipality, with the consent of the majority of the governing body of the municipality;
- (4) In all municipalities which are not counties and not in a first class county with a charter form of government having a population in excess of nine hundred thousand, two members shall be appointed by the county of such municipality in the same manner as members are appointed in subdivision (3) of this subsection;
- (5) In a municipality which is a county with a charter form of government having a population in excess of nine hundred thousand, three members shall be appointed by the cities in the county which have tax increment financing districts in a manner in which the cities shall agree;
- (6) In a municipality which is located in the first class county with a charter form of government having a population in excess of nine hundred thousand, three members shall be appointed by the county of such municipality in the same manner as members are appointed in subdivision (3) of this subsection;
- (7) At the option of the members appointed by the municipality, the members who are appointed by the school boards and other taxing districts may serve on the commission for a term to coincide with the length of time a redevelopment project, redevelopment plan or designation of a redevelopment area is considered for approval by the commission, or for a definite term pursuant to this subdivision. If the members representing school districts and other taxing districts are appointed for a term coinciding with the length of time a redevelopment project, plan or area is approved, such term shall terminate upon final approval of the project, plan or designation of the area by the governing body of the municipality. Thereafter the commission shall consist of the six members appointed by the municipality, except that members representing school boards and other taxing districts shall be appointed as provided in this section prior to any amendments to any redevelopment plans, redevelopment projects or designation of a redevelopment area. If any school district or other taxing jurisdiction fails to appoint members of the commission within thirty days of receipt of written notice of a proposed redevelopment plan, redevelopment project or designation of a redevelopment area, the remaining members may proceed to exercise the power of the commission. Of the members first appointed by the municipality, two shall be designated to serve for terms of two years, two shall be designated to serve for a term of three years and two shall be designated to serve for a term of four years from the date of such initial appointments. Thereafter, the members appointed by the municipality shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments.

3. The commission, subject to approval of the governing body of the municipality, may exercise the powers enumerated in sections 99.800 to 99.865, except final approval of plans, projects and designation of redevelopment areas. The commission shall hold public hearings and provide notice pursuant to sections 99.825 and 99.830. The commission shall vote on all proposed redevelopment plans, redevelopment projects and designations of redevelopment areas, and amendments thereto, within thirty days following completion of the hearing on any such plan, project or designation and shall make recommendations to the governing body within ninety days of the hearing referred to in section 99.825 concerning the adoption of or amendment to redevelopment plans and redevelopment projects and the designation of redevelopment areas.

The requirements of subsection 2 of this section and this subsection shall not apply to redevelopment projects upon which the required hearings have been duly held prior to August 31, 1991.

(L. 1982 H.B. 1411 & 1587 § 3 subsec. 3, A.L. 1991 H.B. 502, A.L. 1997 2d Ex. Sess. S.B. 1, A.L. 1998 S.B. 707 & 484, A.L. 2003 S.B. 11)

(2000) Proposed city charter amendment requiring two-thirds voter approval on every tax increment financing measure violated section and thus was unconstitutional pursuant to article VI, section 19(a). State ex rel. Hazelwood Yellow Ribbon Committee v. Klos, 35 S.W.3d 457 (Mo.App.E.D.).

Adoption of ordinance for redevelopment, public hearing required --objection procedure--hearing and notices not required, when --restrictions on certain projects.

99.825. 1. Prior to the adoption of an ordinance proposing the designation of a redevelopment area, or approving a redevelopment plan or redevelopment project, the commission shall fix a time and place for a public hearing and notify each taxing district located wholly or partially within the boundaries of the proposed redevelopment area, plan or project. At the public hearing any interested person or affected taxing district may file with the commission written objections to, or comments on, and may be heard orally in respect to, any issues embodied in the notice. The commission shall hear and consider all protests, objections, comments and other evidence presented at the hearing. The hearing may be continued to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing. Prior to the conclusion of the hearing, changes may be made in the redevelopment plan, redevelopment project, or redevelopment area, provided that each affected taxing district is given written notice of such changes at least seven days prior to the conclusion of the hearing. After the public hearing but prior to the adoption of an ordinance approving a redevelopment plan or redevelopment project, or designating a redevelopment area, changes may be made to the redevelopment plan, redevelopment projects or redevelopment areas without a further hearing, if such changes do not enlarge the exterior boundaries of the redevelopment area or areas, and do not substantially affect the general land uses established in the redevelopment plan or substantially change the nature of the redevelopment projects, provided that notice of such changes shall be given by mail to each affected taxing district and by publication in a newspaper of general circulation in the area of the proposed redevelopment not less than ten days prior to the adoption of the changes by ordinance. After the adoption of an ordinance approving a redevelopment plan or redevelopment project, or designating a redevelopment area, no ordinance shall be adopted altering the exterior boundaries, affecting the general land uses established pursuant to the redevelopment plan or changing the nature of the redevelopment project without complying with the procedures provided in this section pertaining to the initial approval of a redevelopment plan or redevelopment project and designation of a redevelopment area. Hearings with regard to a redevelopment project, redevelopment area, or redevelopment plan may be held simultaneously.

2. Tax incremental financing projects within an economic development area shall apply to and fund only the following infrastructure projects: highways, roads, streets, bridges, sewers, traffic control systems and devices, water distribution and supply systems, curbing, sidewalks and any other similar public improvements, but in no case shall it include buildings.

(L. 1982 H.B. 1411 & 1587 § 4, A.L. 1986 S.B. 664 merged with H.B. 989 & 1390, A.L. 1991 H.B. 502, A.L. 1997 2d Ex. Sess. S.B. 1) Effective 12-23-97

Notice of public hearings, publication and mailing requirements, contents.

99.830. 1. Notice of the public hearing required by section 99.825 shall be given by publication and mailing. Notice by publication shall be given by publication at least twice, the first publication to be not more than thirty days and the second publication to be not more than ten days prior to the hearing, in a newspaper of general circulation in the area of the proposed redevelopment. Notice by mailing shall be given by depositing such notice in the United States mail by certified mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract, or parcel of land lying within the redevelopment project or redevelopment area which is to be subjected to the payment or payments in lieu of taxes and economic activity taxes pursuant to section 99.845. Such notice shall be mailed not less than ten days prior to the date set for the public hearing. In the event taxes for the last preceding year were not paid, the notice shall also be sent to the persons last listed on the tax rolls within the preceding three years as the owners of such property.

2. The notices issued pursuant to this section shall include the following:

- (1) The time and place of the public hearing;
- (2) The general boundaries of the proposed redevelopment area or redevelopment project by street location, where possible;
- (3) A statement that all interested persons shall be given an opportunity to be heard at the public hearing;
- (4) A description of the proposed redevelopment plan or redevelopment project and a location and time where the entire plan or project proposal may be reviewed by any interested party;
- (5) Such other matters as the commission may deem appropriate.

3. Not less than forty-five days prior to the date set for the public hearing, the commission shall give notice by mail as provided in subsection 1 of this section to all taxing districts from which taxable property is included in the redevelopment area, redevelopment project or redevelopment plan, and in addition to the other requirements pursuant to subsection 2 of this section, the notice shall include an invitation to each taxing district to submit comments to the commission concerning the subject matter of the

hearing prior to the date of the hearing.

4. A copy of any and all hearing notices required by section 99.825 shall be submitted by the commission to the director of the department of economic development. Such submission of the copy of the hearing notice shall comply with the prior notice requirements pursuant to subsection 3 of this section.

(L. 1982 H.B. 1411 & 1587 § 5, A.L. 1991 H.B. 502, A.L. 1993 H.B. 566, A.L. 1997 2d Ex. Sess. S.B. 1) Effective 12-23-97

Secured obligations authorized--interest rates--how retired--sale --approval by electors not required--surplus fund distribution --exception--county collectors' and municipal treasurers' duties--no personal liability for commission, municipality or state.

99.835. 1. Obligations secured by the special allocation fund set forth in sections 99.845 and 99.850 for the redevelopment area or redevelopment project may be issued by the municipality pursuant to section 99.820 or by the tax increment financing commission to provide for redevelopment costs. Such obligations, when so issued, shall be retired in the manner provided in the ordinance or resolution authorizing the issuance of such obligations by the receipts of payments in lieu of taxes as specified in section 99.855 and, subject to annual appropriation, other tax revenue as specified in section 99.845. A municipality may, in the ordinance or resolution, pledge all or any part of the funds in and to be deposited in the special allocation fund created pursuant to sections 99.845 and 99.850 to the payment of the redevelopment costs and obligations. Any pledge of funds in the special allocation fund may provide for distribution to the taxing districts of moneys not required for payment of redevelopment costs or obligations and such excess funds shall be deemed to be surplus funds, except that any moneys allocated to the special allocation fund as provided in subsection 4 of section 99.845, and which are not required for payment of redevelopment costs and obligations, shall not be distributed to the taxing districts but shall be returned to the department of economic development for credit to the general revenue fund. In the event a municipality only pledges a portion of the funds in the special allocation fund for the payment of redevelopment costs or obligations, any such funds remaining in the special allocation fund after complying with the requirements of the pledge, including the retention of funds for the payment of future redevelopment costs, if so required, shall also be deemed surplus funds. All surplus funds shall be distributed annually to the taxing districts in the redevelopment area by being paid by the municipal treasurer to the county collector who shall immediately thereafter make distribution as provided in subdivision (12) of section 99.820.

2. Without limiting the provisions of subsection 1 of this section, the municipality may, in addition to obligations secured by the special allocation fund, pledge any part or any combination of net new revenues of any redevelopment project, or a mortgage on part or all of the redevelopment project to secure its obligations or other redevelopment costs.

3. Obligations issued pursuant to sections 99.800 to 99.865 may be issued in one or more series bearing interest at such rate or rates as the issuing body of the municipality shall determine by ordinance or resolution. Such obligations shall bear such date or dates, mature at such time or times not exceeding twenty-three years from their respective dates, when secured by the special allocation fund, be in such denomination, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, contain such covenants, terms and conditions, and be subject to redemption as such ordinance or resolution shall provide. Obligations issued pursuant to sections 99.800 to 99.865 may be sold at public or private sale at such price as shall be determined by the issuing body and shall state that obligations issued pursuant to sections 99.800 to 99.865 are special obligations payable solely from the special allocation fund or other funds specifically pledged. No referendum approval of the electors shall be required as a condition to the issuance of obligations pursuant to sections 99.800 to 99.865.

4. The ordinance authorizing the issuance of obligations may provide that the obligations shall contain a recital that they are issued pursuant to sections 99.800 to 99.865, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

5. Neither the municipality, its duly authorized commission, the commissioners or the officers of a municipality nor any person executing any obligation shall be personally liable for such obligation by reason of the issuance thereof. The obligations issued pursuant to sections 99.800 to 99.865 shall not be a general obligation of the municipality, county, state of Missouri, or any political subdivision thereof, nor in any event shall such obligation be payable out of any funds or properties other than those specifically pledged as security therefor. The obligations shall not constitute indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction.

(L. 1982 H.B. 1411 & 1587 § 6, A.L. 1990 H.B. 1564, A.L. 1991 H.B. 502, A.L. 1997 2d Ex. Sess. S.B. 1) Effective 12-23-97

Obligation, refunded to pay redevelopment costs, requirements--other obligations of municipality pledged to redevelopment may qualify.

99.840. 1. A municipality may also issue its obligations to refund, in whole or in part, obligations theretofore issued by such municipality under the authority of sections 99.800 to 99.865, whether at or prior to maturity; provided, however, that the last maturity of the refunding obligations shall not be expressed to mature later than the last maturity date of the obligations to be refunded.

2. In the event a municipality issues obligations under home rule powers or other legislative authority, the proceeds of which are pledged to pay for redevelopment project costs, the municipality may, if it has followed the procedures in conformance with sections 99.800 to 99.865, retire such obligations from funds in the special allocation fund in amounts and in such manner as if such obligations had been issued pursuant to the provisions of sections 99.800 to 99.865.

(L. 1982 H.B. 1411 & 1587 § 7)

Tax increment financing adoption--division of ad valorem taxes--payments in lieu of tax, deposit, inclusion and exclusion of current equalized assessed valuation for certain purposes, when--other taxes included, amount-supplemental tax increment financing fund established, disbursement.

99.845. 1. A municipality, either at the time a redevelopment project is approved or, in the event a municipality has undertaken acts establishing a redevelopment plan and redevelopment project and has designated a redevelopment area after the passage and approval of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance providing that after the total equalized assessed valuation of the taxable real property in a redevelopment project exceeds the certified total initial equalized assessed valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such redevelopment project by taxing districts and tax rates determined in the manner provided in subsection 2 of section 99.855 each year after the effective date of the ordinance until redevelopment costs have been paid shall be divided as follows:

- (1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;
- (2)
 - (a) Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid to the municipal treasurer who shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable. The municipality may, in the ordinance, pledge the funds in the special allocation fund for the payment of such costs and obligations and provide for the collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in section 88.861, RSMo. No part of the current equalized assessed valuation of each lot, block, tract, or parcel of property in the area selected for the redevelopment project attributable to any increase above the total initial equalized assessed value of such properties shall be used in calculating the general state school aid formula provided for in section 163.031, RSMo, until such time as all redevelopment costs have been paid as provided for in this section and section 99.850;
 - (b) Notwithstanding any provisions of this section to the contrary, for purposes of determining the limitation on indebtedness of local government pursuant to article VI, section 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area selected for redevelopment attributable to the increase above the total initial equalized assessed valuation shall be included in the value of taxable tangible property as shown on the last completed assessment for state or county purposes;
 - (c) The county assessor shall include the current assessed value of all property within the taxing district in the aggregate valuation of assessed property entered upon the assessor's book and verified pursuant to section 137.245, RSMo, and such value shall be utilized for the purpose of the debt limitation on local government pursuant to article VI, section 26(b) of the Missouri Constitution;
- (3) For purposes of this section, "levies upon taxable real property in such redevelopment project by taxing districts" shall not include the blind pension fund tax levied under the authority of article III, section 38(b) of the Missouri Constitution, or the merchants' and manufacturers' inventory replacement tax levied under the authority of subsection 2 of section 6 of article X, of the Missouri Constitution, except in redevelopment project areas in which tax increment financing has been adopted by ordinance pursuant to a plan approved by vote of the governing body of the municipality taken after August 13, 1982, and before January 1, 1998.

2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing districts, which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, RSMo, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section 94.660, RSMo, for the purpose of public transportation, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds

in a separate segregated account within the special allocation fund. Any provision of an agreement, contract or covenant entered into prior to July 12, 1990, between a municipality and any other political subdivision which provides for an appropriation of other municipal revenues to the special allocation fund shall be and remain enforceable.

3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest which are imposed by the municipality or other taxing districts, and which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, RSMo, or effective January 1, 1998, taxes levied for the purpose of public transportation pursuant to section 94.660, RSMo, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund.

4. Beginning January 1, 1998, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance and which have complied with subsections 4 to 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues, as defined in subsection 8 of this section, estimated for the businesses within the project area and identified by the municipality in the application required by subsection 10 of this section, over and above the amount of such taxes reported by businesses within the project area as identified by the municipality in their application prior to the approval of the redevelopment project by ordinance, while tax increment financing remains in effect, may be available for appropriation by the general assembly as provided in subsection 10 of this section to the department of economic development supplemental tax increment financing fund, from the general revenue fund, for distribution to the treasurer or other designated financial officer of the municipality with approved plans or projects.

5. The treasurer or other designated financial officer of the municipality with approved plans or projects shall deposit such funds in a separate segregated account within the special allocation fund established pursuant to section 99.805.

6. No transfer from the general revenue fund to the Missouri supplemental tax increment financing fund shall be made unless an appropriation is made from the general revenue fund for that purpose. No municipality shall commit any state revenues prior to an appropriation being made for that project. For all redevelopment plans or projects adopted or approved after December 23, 1997, appropriations from the new state revenues shall not be distributed from the Missouri supplemental tax increment financing fund into the special allocation fund unless the municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic activity taxes generated by the project shall be used for eligible redevelopment project costs while tax increment financing remains in effect. This account shall be separate from the account into which payments in lieu of taxes are deposited, and separate from the account into which economic activity taxes are deposited.

7. In order for the redevelopment plan or project to be eligible to receive the revenue described in subsection 4 of this section, the municipality shall comply with the requirements of subsection 10 of this section prior to the time the project or plan is adopted or approved by ordinance. The director of the department of economic development and the commissioner of the office of administration may waive the requirement that the municipality's application be submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or project's approval by ordinance.

8. For purposes of this section, "new state revenues" means:

- (1) The incremental increase in the general revenue portion of state sales tax revenues received pursuant to section 144.020, RSMo, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, RSMo, sales and use taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law. In no event shall the incremental increase include any amounts attributable to retail sales unless the municipality or authority has proven to the Missouri development finance board and the department of economic development and such entities have made a finding that the sales tax increment attributable to retail sales is from new sources which did not exist in the state during the baseline year. The incremental increase in the general revenue portion of state sales tax revenues for an existing or relocated facility shall be the amount that current state sales tax revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan as provided in subsection 10 of this section; or
- (2) The state income tax withheld on behalf of new employees by the employer pursuant to section 143.221, RSMo, at the business located within the project as identified by the municipality. The state income tax withholding allowed by this section shall be the municipality's estimate of the amount of state income tax withheld by the employer within the redevelopment area for new employees who fill new jobs directly created by the tax increment financing project.

9. Subsection 4 of this section shall apply only to blighted areas located in enterprise zones, pursuant to sections 135.200 to 135.256, RSMo, blighted areas located in federal empowerment zones, or to blighted areas located in central business districts or urban core areas of cities which districts or urban core areas at the time of approval of the project by ordinance, provided that the enterprise zones, federal empowerment zones or blighted areas contained one or more buildings at least fifty years old; and

- (1) Suffered from generally declining population or property taxes over the twenty-year period immediately preceding the area's designation as a project area by ordinance; or
- (2) Was a historic hotel located in a county of the first classification without a charter form of government with a population according to the most recent federal decennial census in excess of one hundred fifty thousand and containing a portion of a city with a population according to the most recent federal decennial census in excess of three hundred fifty thousand.

10. The initial appropriation of up to fifty percent of the new state revenues authorized pursuant to subsections 4 and 5 of this section shall not be made to or distributed by the department of economic development to a municipality until all of the following conditions have been satisfied:

- (1) The director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee have approved a tax increment financing application made by the municipality for the appropriation of the new state revenues. The municipality shall include in the application the following items in addition to the items in section 99.810:
 - (a) The tax increment financing district or redevelopment area, including the businesses identified within the redevelopment area;
 - (b) The base year of state sales tax revenues or the base year of state income tax withheld on behalf of existing employees, reported by existing businesses within the project area prior to approval of the redevelopment project;
 - (c) The estimate of the incremental increase in the general revenue portion of state sales tax revenue or the estimate for the state income tax withheld by the employer on behalf of new employees expected to fill new jobs created within the redevelopment area after redevelopment;
 - (d) The official statement of any bond issue pursuant to this subsection after December 23, 1997;
 - (e) An affidavit that is signed by the developer or developers attesting that the provisions of subdivision (1) of section 99.810 have been met and specifying that the redevelopment area would not be reasonably anticipated to be developed without the appropriation of the new state revenues;
 - (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact on the state of Missouri; and
 - (g) The statement of election between the use of the incremental increase of the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area;
 - (h) The name, street and mailing address, and phone number of the mayor or chief executive officer of the municipality;
 - (i) The street address of the development site;
 - (j) The three-digit North American Industry Classification System number or numbers characterizing the development project;
 - (k) The estimated development project costs;
 - (l) The anticipated sources of funds to pay such development project costs;
 - (m) Evidence of the commitments to finance such development project costs;
 - (n) The anticipated type and term of the sources of funds to pay such development project costs; (o) The anticipated type and terms of the obligations to be issued;
 - (p) The most recent equalized assessed valuation of the property within the development project area;
 - (q) An estimate as to the equalized assessed valuation after the development project area is developed in accordance with a development plan;
 - (r) The general land uses to apply in the development area;
 - (s) The total number of individuals employed in the development area, broken down by full-time, part-time, and temporary positions;

- (t) The total number of full-time equivalent positions in the development area;
- (u) The current gross wages, state income tax withholdings, and federal income tax withholdings for individuals employed in the development area;
- (v) The total number of individuals employed in this state by the corporate parent of any business benefitting from public expenditures in the development area, and all subsidiaries thereof, as of December thirty- first of the prior fiscal year, broken down by full-time, part-time, and temporary positions;
- (w) The number of new jobs to be created by any business benefitting from public expenditures in the development area, broken down by full-time, part-time, and temporary positions;
- (x) The average hourly wage to be paid to all current and new employees at the project site, broken down by full-time, part-time, and temporary positions;
- (y) For project sites located in a metropolitan statistical area, as defined by the federal Office of Management and Budget, the average hourly wage paid to nonmanagerial employees in this state for the industries involved at the project, as established by the United States Bureau of Labor Statistics;
- (z) For project sites located outside of metropolitan statistical areas, the average weekly wage paid to nonmanagerial employees in the county for industries involved at the project, as established by the United States Department of Commerce;
- (aa) A list of other community and economic benefits to result from the project;
- (bb) A list of all development subsidies that any business benefitting from public expenditures in the development area has previously received for the project, and the name of any other granting body from which such subsidies are sought;
- (cc) A list of all other public investments made or to be made by this state or units of local government to support infrastructure or other needs generated by the project for which the funding pursuant to this act** is being sought;
- (dd) A statement as to whether the development project may reduce employment at any other site, within or without the state, resulting from automation, merger, acquisition, corporate restructuring, relocation, or other business activity;
- (ee) A statement as to whether or not the project involves the relocation of work from another address and if so, the number of jobs to be relocated and the address from which they are to be relocated;
- (ff) A list of competing businesses in the county containing the development area and in each contiguous county;
- (gg) A market study for the development area;
- (hh) A certification by the chief officer of the applicant as to the accuracy of the development plan;

(2) The methodologies used in the application for determining the base year and determining the estimate of the incremental increase in the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area shall be approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. Upon approval of the application, the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee shall issue a certificate of approval. The department of economic development may request the appropriation following application approval;

(3) The appropriation shall be either a portion of the estimate of the incremental increase in the general revenue portion of state sales tax revenues in the redevelopment area or a portion of the estimate of the state income tax withheld by the employer on behalf of new employees who fill new jobs created in the redevelopment area as indicated in the municipality's application, approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. At no time shall the aggregate annual appropriation of the new state revenues for redevelopment areas exceed fifteen million dollars;

(4) Redevelopment plans and projects receiving new state revenues shall have a duration of up to fifteen years, unless prior approval for a longer term is given by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee; except that, in no case shall the duration exceed twenty three years.

11. In addition to the areas authorized in subsection 9 of this section, the funding authorized pursuant to subsection 4 of this section shall also be available in a federally approved levee district, where construction of a levee begins after December 23, 1997, and which is contained within a county of the first classification without a charter form of government with a population between fifty thousand and one hundred thousand inhabitants which contains all or part of a city with a population in excess of four hundred thousand or more inhabitants.

12. There is hereby established within the state treasury a special fund to be known as the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the department of economic development. The department shall annually distribute from the Missouri supplemental tax increment financing fund the amount of the new state revenues as appropriated as provided in the provisions of subsections 4 and 5 of this section if and only if the conditions of subsection 10 of this section are met. The fund shall also consist of any gifts, contributions, grants or bequests received from federal, private or other sources. Moneys in the Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to state appropriations.

13. All personnel and other costs incurred by the department of economic development for the administration and operation of subsections 4 to 12 of this section shall be paid from the state general revenue fund. On an annual basis, the general revenue fund shall be reimbursed for the full amount of such costs by the developer or developers of the project or projects for which municipalities have made tax increment financing applications for the appropriation of new state revenues, as provided for in subdivision (1) of subsection 10 of this section. The amount of costs charged to each developer shall be based upon the percentage arrived at by dividing the monetary amount of the application made by each municipality for a particular project by the total monetary amount of all applications received by the department of economic development.

14. For redevelopment plans or projects approved by ordinance that result in net new jobs from the relocation of a national headquarters from another state to the area of the redevelopment project, the economic activity taxes and new state tax revenues shall not be based on a calculation of the incremental increase in taxes as compared to the base year or prior calendar year for such redevelopment project, rather the incremental increase shall be the amount of total taxes generated from the net new jobs brought in by the national headquarters from another state. In no event shall this subsection be construed to allow a redevelopment project to receive an appropriation in excess of up to fifty percent of the new state revenues.

(L. 1982 H.B. 1411 & 1587 § 8 subsec. 1, A.L. 1986 S.B. 664 merged with H.B. 989 & 1390, A.L. 1990 H.B. 1564, A.L. 1991 H.B. 502, A.L. 1997 2d Ex. Sess. S.B. 1, A.L. 1998 S.B. 707 & 484, A.L. 2003 H.B. 289 merged with S.B. 235)

*This section was amended by H.B. 289, S.B. 235, and S.B. 620 during the first regular session of the 92nd General Assembly, 2003. Due to a contingent expiration date in § 135.284, two versions of this section appear here.

**"This act" (H.B. 289, 2003) contained numerous sections. Consult Disposition of Sections table for a definitive listing.

(1995) This statute creates an exception to the county sales tax statutes (67.582 & 67.700). County of Jefferson v. Quiktrip Corp., 912 S.W.2d 487 (Mo.banc 1995).

Tax increment financing adoption--division of ad valorem taxes--payments in lieu of tax, deposit, certain evaluation not to be used in calculating state school aid formula, when--other taxes included, amount--supplemental tax increment financing fund established, disbursement--net new jobs from relocation, effect of.

99.845. 1. A municipality, either at the time a redevelopment project is approved or in the event a municipality has undertaken acts establishing a redevelopment plan and redevelopment project and has designated a redevelopment area after the passage and approval of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance providing that after the total equalized assessed valuation of the taxable real property in a redevelopment project exceeds the certified total initial equalized assessed valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such redevelopment project by taxing districts and tax rates determined in the manner provided in subsection 2 of section 99.855 each year after the effective date of the ordinance until redevelopment costs have been paid shall be divided as follows:

- (1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;
- (2) Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid to the municipal treasurer who shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable. The municipality may, in the ordinance, pledge the funds in the special allocation fund for the payment of such costs and obligations and provide for the collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in section 88.861, RSMo. No part of the current equalized assessed valuation of each

lot, block, tract, or parcel of property in the area selected for the redevelopment project attributable to any increase above the total initial equalized assessed value of such properties shall be used in calculating the general state school aid formula provided for in section 163.031, RSMo, until such time as all redevelopment costs have been paid as provided for in this section and section 99.850;

- (3) For purposes of this section, "levies upon taxable real property in such redevelopment project by taxing districts" shall not include the blind pension fund tax levied under the authority of article III, section 38(b) of the Missouri Constitution, or the merchants' and manufacturers' inventory replacement tax levied under the authority of subsection 2 of section 6 of article X, of the Missouri Constitution, except in redevelopment project areas in which tax increment financing has been adopted by ordinance pursuant to a plan approved by vote of the governing body of the municipality taken after August 13, 1982, and before January 1, 1998.

2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing districts, which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, RSMo, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section 94.660, RSMo, for the purpose of public transportation, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund. Any provision of an agreement, contract or covenant entered into prior to July 12, 1990, between a municipality and any other political subdivision which provides for an appropriation of other municipal revenues to the special allocation fund shall be and remain enforceable.

3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest which are imposed by the municipality or other taxing districts, and which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, RSMo, or effective January 1, 1998, taxes levied for the purpose of public transportation pursuant to section 94.660, RSMo, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund.

4. Beginning January 1, 1998, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance and which have complied with subsections 4 to 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues, as defined in subsection 8 of this section, estimated for the businesses within the project area and identified by the municipality in the application required by subsection 10 of this section, over and above the amount of such taxes reported by businesses within the project area as identified by the municipality in their application prior to the approval of the redevelopment project by ordinance, while tax increment financing remains in effect, may be available for appropriation by the general assembly as provided in subsection 10 of this section to the department of economic development supplemental tax increment financing fund, from the general revenue fund, for distribution to the treasurer or other designated financial officer of the municipality with approved plans or projects.

5. The treasurer or other designated financial officer of the municipality with approved plans or projects shall deposit such funds in a separate segregated account within the special allocation fund established pursuant to section 99.805.

6. No transfer from the general revenue fund to the Missouri supplemental tax increment financing fund shall be made unless an appropriation is made from the general revenue fund for that purpose. No municipality shall commit any state revenues prior to an appropriation being made for that project. For all redevelopment plans or projects adopted or approved after December 23, 1997, appropriations from the new state revenues shall not be distributed from the Missouri supplemental tax increment financing fund into the special allocation fund unless the municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic activity taxes generated by the project shall be used for eligible redevelopment project costs while tax increment financing remains in effect. This account shall be separate from the account into which payments in lieu of taxes are deposited, and separate from the account into which economic activity taxes are deposited.

7. In order for the redevelopment plan or project to be eligible to receive the revenue described in subsection 4 of this section, the municipality shall comply with the requirements of subsection 10 of this section prior to the time the project or plan is adopted or approved by ordinance. The director of the department of economic development and the commissioner of the office of administration may waive the requirement that the municipality's application be submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or project's approval by ordinance.

8. For purposes of this section, "new state revenues" means:
- (1) The incremental increase in the general revenue portion of state sales tax revenues received pursuant to section 144.020, RSMo, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, RSMo, sales and use taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law. The incremental increase in the general revenue portion of state sales tax revenues for an existing or relocated facility shall be the amount that current state sales tax revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan as provided in subsection 10 of this section; or
 - (2) The state income tax withheld on behalf of new employees by the employer pursuant to section 143.221, RSMo, at the business located within the project as identified by the municipality. The state income tax withholding allowed by this section shall be the municipality's estimate of the amount of state income tax withheld by the employer within the redevelopment area for new employees who fill new jobs directly created by the tax increment financing project.
9. Subsection 4 of this section shall apply only to blighted areas located in enterprise zones, pursuant to sections 135.200 to 135.256, RSMo, blighted areas located in federal empowerment zones, or to blighted areas located in central business districts or urban core areas of cities which districts or urban core areas at the time of approval of the project by ordinance, provided that the enterprise zones, federal empowerment zones or blighted areas contained one or more buildings at least fifty years old; and
- (1) Suffered from generally declining population or property taxes over the twenty-year period immediately preceding the area's designation as a project area by ordinance; or
 - (2) Was a historic hotel located in a county of the first classification without a charter form of government with a population according to the most recent federal decennial census in excess of one hundred fifty thousand and containing a portion of a city with a population according to the most recent federal decennial census in excess of three hundred fifty thousand.
10. The initial appropriation of up to fifty percent of the new state revenues authorized pursuant to subsections 4 and 5 of this section shall not be made to or distributed by the department of economic development to a municipality until all of the following conditions have been satisfied:
- (1) The director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee have approved a tax increment financing application made by the municipality for the appropriation of the new state revenues. The municipality shall include in the application the following items in addition to the items in section 99.810:
 - (a) The tax increment financing district or redevelopment area, including the businesses identified within the redevelopment area;
 - (b) The base year of state sales tax revenues or the base year of state income tax withheld on behalf of existing employees, reported by existing businesses within the project area prior to approval of the redevelopment project;
 - (c) The estimate of the incremental increase in the general revenue portion of state sales tax revenue or the estimate for the state income tax withheld by the employer on behalf of new employees expected to fill new jobs created within the redevelopment area after redevelopment;
 - (d) The official statement of any bond issue pursuant to this subsection after December 23, 1997;
 - (e) An affidavit that is signed by the developer or developers attesting that the provisions of subdivision (1) of section 99.810 have been met and specifying that the redevelopment area would not be reasonably anticipated to be developed without the appropriation of the new state revenues;
 - (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact on the state of Missouri; and
 - (g) The statement of election between the use of the incremental increase of the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area;
 - (2) The methodologies used in the application for determining the base year and determining the estimate of the incremental increase in the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area shall be approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. Upon approval of the application, the director of the department of economic development or his or her designee and the commissioner of the office of

administration or his or her designee shall issue a certificate of approval. The department of economic development may request the appropriation following application approval;

- (3) The appropriation shall be either a portion of the estimate of the incremental increase in the general revenue portion of state sales tax revenues in the redevelopment area or a portion of the estimate of the state income tax withheld by the employer on behalf of new employees who fill new jobs created in the redevelopment area as indicated in the municipality's application, approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. At no time shall the aggregate annual appropriation of the new state revenues for redevelopment areas exceed fifteen million dollars;
- (4) Redevelopment plans and projects receiving new state revenues shall have a duration of up to fifteen years, unless prior approval for a longer term is given by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee; except that, in no case shall the duration exceed twenty three years.

11. In addition to the areas authorized in subsection 9 of this section, the funding authorized pursuant to subsection 4 of this section shall also be available in a federally approved levee district, where construction of a levee begins after December 23, 1997, and which is contained within a county of the first classification without a charter form of government with a population between fifty thousand and one hundred thousand inhabitants which contains all or part of a city with a population in excess of four hundred thousand or more inhabitants.

12. There is hereby established within the state treasury a special fund to be known as the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the department of economic development. The department shall annually distribute from the Missouri supplemental tax increment financing fund the amount of the new state revenues as appropriated as provided in the provisions of subsections 4 and 5 of this section if and only if the conditions of subsection 10 of this section are met. The fund shall also consist of any gifts, contributions, grants or bequests received from federal, private or other sources. Moneys in the Missouri

supplemental tax increment financing fund shall be disbursed per project pursuant to state appropriations.

13. All personnel and other costs incurred by the department of economic development for the administration and operation of subsections 4 to 12 of this section shall be paid from the state general revenue fund. On an annual basis, the general revenue fund shall be reimbursed for the full amount of such costs by the developer or developers of the project or projects for which municipalities have made tax increment financing applications for the appropriation of new state revenues, as provided for in subdivision (1) of subsection 10 of this section. The amount of costs charged to each developer shall be based upon the percentage arrived at by dividing the monetary amount of the application made by each municipality for a particular project by the total monetary amount of all applications received by the department of economic development.

14. For redevelopment plans or projects approved by ordinance that result in net new jobs from the relocation of a national headquarters from another state to the area of the redevelopment project, the economic activity taxes and new state tax revenues shall not be based on a calculation of the incremental increase in taxes as compared to the base year or prior calendar year for such redevelopment project, rather the incremental increase shall be the amount of total taxes generated from the net new jobs brought in by the national headquarters from another state. In no event shall this subsection be construed to allow a redevelopment project to receive an appropriation in excess of up to fifty percent of the new state revenues.

(L. 1982 H.B. 1411 & 1587 § 8 subsec. 1, A.L. 1986 S.B. 664 merged with H.B. 989 & 1390, A.L. 1990 H.B. 1564, A.L. 1991 H.B. 502, A.L. 1997 2d Ex. Sess. S.B. 1, A.L. 1998 S.B. 707 & 484, A.L. 2003 S.B. 620)

Effective 6-18-03

Contingent expiration date, see § 135.284

*This section was amended by H.B. 289, S.B. 235 and S.B. 620 during the first regular session of the 92nd General Assembly, 2003. Due to a contingent expiration date in § 135.284, two versions of this section appear here.

Reimbursement from special allocation fund for emergency services, when--no new TIF projects authorized for flood plain areas in St. Charles County, applicability of restriction.

99.847. 1. Any district providing emergency services pursuant to chapter 190 or 321, RSMo, shall be entitled to reimbursement from the special allocation fund in the amount of at least fifty percent nor more than one hundred percent of the district's tax increment.

2. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary, no new tax increment financing project shall be authorized in any area which is within an area designated as flood plain by the Federal Emergency Management Agency and which is located in or partly within a county with a charter form of government with greater than two hundred fifty thousand inhabitants but fewer than three hundred thousand inhabitants.

3. This subsection shall not apply to tax increment financing projects or districts approved prior to July 1, 2003, and shall allow the aforementioned tax increment financing projects to modify, amend or expand such projects including redevelopment project

costs by not more than forty percent of such project original projected cost including redevelopment project costs as such projects including redevelopment project costs as such projects redevelopment projects including redevelopment project costs existed as of June 30, 2003, and shall allow the aforementioned tax increment financing district to modify, amend or expand such districts by not more than five percent as such districts existed as of June 30, 2003.

(L. 1996 H.B. 1237 § 24, A.L. 2002 S.B. 1107)

(2004) Subsections 2 and 3 of section as added by Senate Bill No. 1107 in 2002 violated single subject requirement of article III, section 23 and are void. City of St. Charles v. Holden and Nixon, Case No. 02CV325669 (Cole County Circuit Court, 5/11/04).

Emergency services district, reimbursement from special allocation fund authorized, when.

99.848. Notwithstanding subsection 1 of section 99.847, any district providing emergency services pursuant to chapter 190 or 321, RSMo, shall be entitled to reimbursement from the special allocation fund in the amount of at least fifty percent nor more than one hundred percent of the district's tax increment. This section shall not apply to tax increment financing projects or districts approved prior to August 28, 2004.

(L. 2004 H.B. 1529 & 1655)

Costs of project paid--surplus fund in special allocation fund --distribution--dissolution of fund and redevelopment area.

99.850. 1. When such redevelopment project costs, including, but not limited to, all municipal obligations financing redevelopment project costs incurred under sections 99.800 to 99.865 have been paid, all surplus funds then remaining in the special allocation fund shall be paid by the municipal treasurer to the county collector who shall immediately thereafter pay such funds to the taxing districts in the area selected for a redevelopment project in the same manner and proportion as the most recent distribution by the collector to the affected districts of real property taxes from real property in the area selected for a redevelopment project.

2. Upon the payment of all redevelopment project costs, retirement of obligations and the distribution of any excess moneys pursuant to section 99.845 and this section, the municipality shall adopt an ordinance dissolving the special allocation fund for the redevelopment area and terminating the designation of the redevelopment area as a redevelopment area. Thereafter the rates of the taxing districts shall be extended and taxes levied, collected, and distributed in the manner applicable in the absence of the adoption of tax increment financing.

3. Nothing in sections 99.800 to 99.865 shall be construed as relieving property in such areas from paying a uniform rate of taxes, as required by article X, section 3 of the Missouri Constitution.

(L. 1982 H.B. 1411 & 1587 § 8 subsecs. 2, 3, 4, A.L. 1991 H.B. 502)

Tax rates for districts containing redevelopment projects, method for establishing--county assessor's duties--method of extending taxes to terminate, when.

99.855. 1. If a municipality by ordinance provides for tax increment allocation financing pursuant to sections 99.845 and 99.850, the county assessor shall immediately thereafter determine total equalized assessed value of all taxable real property within such redevelopment project by adding together the most recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of real property within such project, and shall certify such amount as the total initial equalized assessed value of the taxable real property within such project.

2. After the county assessor has certified the total initial equalized assessed value of the taxable real property in such redevelopment project, then, in respect to every taxing district containing a redevelopment project, the county clerk, or any other official required by law to ascertain the amount of the equalized assessed value of all taxable property within such district for the purpose of computing any debt service levies to be extended upon taxable property within such district, shall in every year that tax increment allocation financing is in effect ascertain the amount of value of taxable property in a redevelopment project by including in such amount the certified total initial equalized assessed value of all taxable real property in such area in lieu of the equalized assessed value of all taxable real property in such area. For the purpose of measuring the size of payments in lieu of taxes under sections 99.800 to 99.865, all tax levies shall then be extended to the current equalized assessed value of all property in the redevelopment project in the same manner as the tax rate percentage is extended to all other taxable property in the taxing district. The method of extending taxes established under this section shall terminate when the municipality adopts an ordinance dissolving the special allocation fund for the redevelopment project.

(L. 1982 H.B. 1411 & 1587 § 9, A.L. 1986 S.B. 664 merged with H.B. 989 & 1390, A.L. 1991 H.B. 502)

Severability.

99.860. If any section, subsection, subdivision, paragraph, sentence or clause of sections 99.800 to 99.860 is, for any reason, held to be invalid or unconstitutional, such decision shall not affect any remaining portion, section, or part thereof which can be given effect without the invalid provision.

(L. 1982 H.B. 1411 & 1587 § 10)

Joint committee on real property tax increment allocation redevelopment, members, appointment, duties.

99.863. Beginning in 1999, and every five years thereafter, a joint committee of the general assembly, comprised of five members appointed by the speaker of the house of representatives and five members appointed by the president pro tem of the senate, shall review sections 99.800 to 99.865. A report based on such review, with any recommended legislative changes, shall be submitted to the speaker of the house of representatives and the president pro tem of the senate no later than February first following the year in which the review is conducted.

(L. 1997 2d Ex. Sess. S.B. 1)

Effective 12-23-97

Report by municipalities, contents, publication--satisfactory progress of project, procedure to determine--reports by department of economic development required, when, contents--rulemaking authority--department to provide manual, contents.

99.865. 1. Each year the governing body of the municipality, or its designee, shall prepare a report concerning the status of each redevelopment plan and redevelopment project, and shall submit a copy of such report to the director of the department of economic development. The report shall include the following:

- (1) The amount and source of revenue in the special allocation fund;
- (2) The amount and purpose of expenditures from the special allocation fund;
- (3) The amount of any pledge of revenues, including principal and interest on any outstanding bonded indebtedness;
- (4) The original assessed value of the redevelopment project;
- (5) The assessed valuation added to the redevelopment project;
- (6) Payments made in lieu of taxes received and expended;
- (7) The economic activity taxes generated within the redevelopment area in the calendar year prior to the approval of the redevelopment plan, to include a separate entry for the state sales tax revenue base for the redevelopment area or the state income tax withheld by employers on behalf of existing employees in the redevelopment area prior to the redevelopment plan;
- (8) The economic activity taxes generated within the redevelopment area after the approval of the redevelopment plan, to include a separate entry for the increase in state sales tax revenues for the redevelopment area or the increase in state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area;
- (9) Reports on contracts made incident to the implementation and furtherance of a redevelopment plan or project;
- (10) A copy of any redevelopment plan, which shall include the required findings and cost benefit analysis pursuant to subdivisions (1) to (6) of section 99.810;
- (11) The cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired or remodeled;
- (12) The number of parcels acquired by or through initiation of eminent domain proceedings; and
- (13) Any additional information the municipality deems necessary.

2. Data contained in the report mandated pursuant to the provisions of subsection 1 of this section and any information regarding amounts disbursed to municipalities pursuant to the provisions of section 99.845 shall be deemed a public record, as defined in section 610.010, RSMo. An annual statement showing the payments made in lieu of taxes received and expended in that year, the status of the redevelopment plan and projects therein, amount of outstanding bonded indebtedness and any additional information the municipality deems necessary shall be published in a newspaper of general circulation in the municipality.

3. Five years after the establishment of a redevelopment plan and every five years thereafter the governing body shall hold a public hearing regarding those redevelopment plans and projects created pursuant to sections 99.800 to 99.865. The purpose of the hearing shall be to determine if the redevelopment project is making satisfactory progress under the proposed time schedule contained within the approved plans for completion of such projects. Notice of such public hearing shall be given in a newspaper of general circulation in the area served by the commission once each week for four weeks immediately prior to the hearing.

4. The director of the department of economic development shall submit a report to the speaker of the house of representatives and the president pro tem of the senate no later than February first of each year. The report shall contain a summary of all information received by the director pursuant to this section.

5. For the purpose of coordinating all tax increment financing projects using new state revenues, the director of the department of economic development may promulgate rules and regulations to ensure compliance with this section. Such rules and regulations may include methods for enumerating all of the municipalities which have established commissions pursuant to section 99.820. No rule or portion of a rule promulgated under the authority of sections 99.800 to 99.865 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536, RSMo. All rulemaking authority delegated prior to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to June 27, 1997, if such rule complied with the provisions of chapter 536, RSMo. The provisions of this section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, including the ability to review, to delay the effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall be invalid and void.

6. The department of economic development shall provide information and technical assistance, as requested by any municipality, on the requirements of sections 99.800 to 99.865. Such information and technical assistance shall be provided in the form of a manual, written in an easy-to-follow manner, and through consultations with departmental staff.

(L. 1982 H.B. 1411 & 1587 § 11, A.L. 1990 H.B. 1564, A.L. 1991 H.B. 502, A.L. 1997 2d Ex. Sess. S.B. 1) Effective 12-23-97

(2000) Proposed city charter amendment requiring two-thirds voter approval on every tax increment financing measure violated section and thus was unconstitutional pursuant to article VI, section 19(a). State ex rel. Hazelwood Yellow Ribbon Committee v. Klos, 35 S.W.3d 457 (Mo.App.E.D.).

Approved: March 22, 2006

ORDINANCE #67052
Board Bill No. 414

AN ORDINANCE AFFIRMING ADOPTION OF A REDEVELOPMENT PLAN, REDEVELOPMENT AREA, AND REDEVELOPMENT PROJECT; AUTHORIZING THE EXECUTION OF A REDEVELOPMENT AGREEMENT BETWEEN THE CITY AND GILDED AGE, L.L.C.; PRESCRIBING THE FORM AND DETAILS OF SAID AGREEMENT; DESIGNATING GILDED AGE, L.L.C., AS DEVELOPER OF THE REDEVELOPMENT AREA; MAKING CERTAIN FINDINGS WITH RESPECT THERETO; AUTHORIZING OTHER RELATED ACTIONS IN CONNECTION WITH THE REDEVELOPMENT OF CERTAIN PROPERTY WITHIN THE REDEVELOPMENT AREA; AND CONTAINING A SEVERABILITY CLAUSE.

WHEREAS, the City of St. Louis, Missouri (the "City"), is a body corporate and a 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, on December 20, 1991, pursuant to Ordinance No. 62477, the Board of Aldermen of the City created the Tax Increment Financing Commission of the City of St. Louis, Missouri (the "TIF Commission"); and

WHEREAS, on January 11, 2006, after all proper notice was given, the TIF Commission held a public hearing in conformance with the TIF Act (hereinafter defined) and received comments from all interested persons and taxing districts affected by the Redevelopment Plan and the redevelopment project described therein; and

WHEREAS, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (2000), as amended (the "Act" or "TIF Act"), and after due consideration of the TIF Commission's recommendations, the Board of Aldermen of the City of St. Louis, Missouri adopted Ordinance No. _____ [Board Bill No. ____] on _____, 2005, which Ordinance: (i) adopted and approved a redevelopment plan entitled the "Union Club TIF Redevelopment Plan" dated November 16, 2005, (the "Redevelopment Plan"), (ii) designated the Union Club Redevelopment Area (as described in the Redevelopment Plan) as a "redevelopment area" as that term is defined in the TIF Act (the "Redevelopment Area"), (iii) adopted and approved the Redevelopment Project described in the Redevelopment Plan, (iv) adopted tax increment allocation financing within the Redevelopment Area, (v) established the City of St. Louis, Missouri "Union Club Special Allocation Fund," and (vi) made certain findings with respect thereto, all as set forth in such Ordinance and in accordance with the requirements of the Act; and

WHEREAS, the Redevelopment Plan proposes to generally redevelop the Redevelopment Area by renovating and rehabilitating the existing structure in the Area into residential space and commercial space with related parking and other improvements, as set forth in the Redevelopment Plan (the "Redevelopment Project," or "TIF Project"); and

WHEREAS, pursuant to Ordinance No. _____ [Board Bill No. ____], the Board of Aldermen has determined that completion of the Redevelopment Project is of economic significance to the City, will serve to benefit the general welfare, qualifies for the use of tax increment allocation financing to alleviate the conditions that qualify it as a "redevelopment area" as provided in the TIF Act, and further, that redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan is not financially feasible without the adoption of tax increment allocation financing and would not otherwise be completed; and

WHEREAS, the Redevelopment Area qualifies for the use of tax increment allocation financing to alleviate the conditions

that qualify it as a “blighted area” as provided in the TIF Act and as set forth herein; and

WHEREAS, it is necessary and desirable and in the best interest of the City to enter into the Redevelopment Agreement with Gilded Age, L.L.C. (the “Developer”), in order that Developer may complete the Redevelopment Project which will provide for the promotion of the general welfare through redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan which redevelopment includes, but is not limited to, assistance in the physical, economic, and social development of the City of St. Louis, providing for a stabilized population and plan for the optimal growth of the City of St. Louis, encouragement of a sense of community identity, safety and civic pride and the elimination of impediments to land disposition and development in the City of St. Louis; and

WHEREAS, pursuant to the provisions of the TIF Act, the City is authorized to enter into a redevelopment agreement with Gilded Age, L.L.C., as 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 Board of Aldermen hereby determines that the terms of the Redevelopment Agreement attached as **Exhibit A** hereto and incorporated herein by reference are acceptable and that the execution, delivery and performance by the City and the Developer of their respective obligations under the Redevelopment Agreement are in the best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes specified in the TIF Act and the Redevelopment Plan.

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

SECTION ONE. The Board of Aldermen hereby ratifies and confirms its approval of the Redevelopment Plan, Redevelopment Area, and Redevelopment Project. The Board of Aldermen further finds and determines that it is necessary and desirable to enter into the Redevelopment Agreement with Gilded Age, L.L.C., as Developer of the Redevelopment Area, in order to implement the Redevelopment Project and to enable the Developer to carry out its proposal for development of the Redevelopment Project.

SECTION TWO. The Board of Aldermen finds and determines that the assistance of tax increment financing is necessary and desirable in order to implement the Redevelopment Project and to enable Gilded Age, L.L.C., as Developer of the Redevelopment Area, to carry out its proposal for development of the Redevelopment Project.

SECTION THREE. The Board of Aldermen hereby approves, and the Mayor and Comptroller of the City are hereby authorized and directed to execute, on behalf of the City, the Redevelopment Agreement by and between the City and the Developer attached hereto as **Exhibit A**, and the City Register is hereby authorized and directed to attest to the Redevelopment Agreement and to affix the seal of the City thereto. The Redevelopment Agreement shall be in substantially the form attached, with such changes therein as shall be approved by said Mayor and Comptroller executing the same and as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

SECTION FOUR. The Mayor and Comptroller of the City or their designated representatives are hereby authorized and directed to take any and all actions to execute and deliver for and on behalf of the City any and all additional certificates, documents, agreements or other instruments as may be necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such action by the Mayor and the Comptroller or their designated representatives.

SECTION FIVE. The Mayor and the Comptroller or their designated representatives, with the advice and concurrence of the City Counselor and after approval by the Board of Estimate and Apportionment, are hereby further authorized and directed to make any changes to the documents, agreements and instruments approved and authorized by this Ordinance as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such changes by the Mayor and the Comptroller or their designated representatives.

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

SECTION SEVEN. After adoption of this Ordinance by the Board of Aldermen, this Ordinance shall become effective on the 30th day after its approval by the Mayor or adoption over his veto; provided that if, within ninety (90) days after the effective date of this Ordinance, the Developer has not (i) executed a redevelopment agreement pertaining to the Redevelopment Project and (ii) paid all fees due to the City in accordance with the terms of the redevelopment agreement, the provisions of this Ordinance shall be deemed null and void and of no effect and all rights conferred by this Ordinance on Developer, shall terminate, provided further, however, that prior to any such termination the Developer may seek an extension of time in which to execute the Redevelopment Agreement, which extension may be granted in the sole discretion of the Board of Estimate and Apportionment of the City of St. Louis.

EXHIBIT A

Redevelopment Agreement by and between the City of St. Louis and the Developer
(Attached hereto.)

REDEVELOPMENT AGREEMENT
Between the
CITY OF ST. LOUIS, MISSOURI
And
GILDED AGE, L.L.C.
Dated as of

_____, 2006

UNION CLUB REDEVELOPMENT PROJECT

ARTICLE I. DEFINITIONS

1.1	Definitions	2
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ARTICLE II. ACCEPTANCE OF PROPOSAL

2.1	Developer Designation	7
2.2	Developer to Advance Costs	8

ARTICLE III. CONSTRUCTION OF REDEVELOPMENT PROJECT

3.1	Acquisition of Property	9
3.2	Condemnation	9
3.3	Relocation	9
3.4	Developer to Construct the Work	9
3.5	Governmental Approvals	9
3.6	Construction Plans; Changes	9
3.7	Certificate of Commencement of Construction	10
3.8	Certificate of Substantial Completion	10

ARTICLE IV. REIMBURSEMENT OF DEVELOPER COSTS

4.1	City's Obligation to Reimburse Developer	11
4.2	Reimbursements Limited to Reimbursable Redevelopment Project Costs; Developer's Right to Substitute	11
4.3	Cost Savings	11
4.4	City's Obligations Limited to Special Allocation Fund and Bond Proceeds	12

ARTICLE V. TIF OBLIGATIONS

5.1	Conditions Precedent to the Issuance of TIF Notes	12
5.2	Issuance of TIF Notes	13
5.3	Issuance of TIF Bonds	14
5.4	Application of TIF Bond Proceeds	15
5.5	Cooperation in the Issuance of TIF Obligations	15
5.6	Subordinate Notes	16
5.7	City to Select Underwriter and Financial Advisor; Term and Interest Rate	16

ARTICLE VI. SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES

6.1	Creation of Special Allocation Fund	16
6.2	Certification of Base for PILOTS and EATS	16
6.3	Application of Available Revenues	17
6.4	Cooperation in Determining TIF Revenues	17
6.5	Obligation to Report TIF Revenues	17
6.6	Notice to City of Transfer	17

ARTICLE VII. GENERAL PROVISIONS

7.1	Developer's Right of Termination	17
7.2	City's Right of Termination	18

7.3 Successors and Assigns. 18
7.4 Remedies 19
7.7 Conflict of Interest 21
7.8 Damage or Destruction of Redevelopment Project 21
7.9 Inspection 22
7.10 Choice of Law 22
7.11 Entire Agreement; Amendment 22
7.12 Counterparts 22
7.13 Severability 22
7.14 Representatives Not Personally Liable 22
7.15 Attorney’s Fees. 22
7.16 Actions Contesting the Validity and Enforceability of the Redevelopment Plan 23
7.17 Release and Indemnification 23
7.18 Survival 24
7.19 Maintenance of the Property 25
7.20 Non-Discrimination 25
7.21 Fair Employment 25
7.22 MBE/WBE Compliance 25

ARTICLE VIII. REPRESENTATIONS OF THE PARTIES

8.1 Representations of the City 26
8.2 Representations of the Developer 26

EXHIBITS

EXHIBIT A Legal Description of the Redevelopment Area
EXHIBIT B Reimbursable Redevelopment Project Costs
EXHIBIT C Form of Certificate of Commencement of Construction
EXHIBIT D Form of Certificate of Reimbursable Redevelopment Project Costs
EXHIBIT E Form of Certificate of Substantial Completion
EXHIBIT F Equal Opportunity and Nondiscrimination Guidelines
EXHIBIT G Form of MBE/WBE Subcontractor’s List
EXHIBIT H Form of MBE/WBE Utilization Statement

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (this “*Agreement*”) is made and entered into as of this _____ day of _____, 2006, by and between the **CITY OF ST. LOUIS, MISSOURI** (the “*City*”), a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri, and **GILDED AGE, L.L.C.**, (the “*Developer*”), a limited liability company duly organized and existing under the laws of the State of Missouri. (All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in **Article I** of this Agreement.)

RECITALS

A. Pursuant to Ordinance No. 62477, adopted and approved on December 20, 1991, the Board of Aldermen duly formed the Tax Increment Financing Commission of the City of St. Louis, Missouri (the “TIF Commission”), in accordance with the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri, (2000) (the “TIF Act”), and empowered the TIF Commission to transact business and exercise its powers as authorized by the TIF Act.

B. The City published a notice on _____, 2005 and _____, 2005 in the St. Louis Post-Dispatch, a newspaper of general circulation within the City, soliciting proposals for the redevelopment of the Redevelopment Area (as hereinafter defined), and made such requests for proposals available for potential developers of the Redevelopment Area.

C. Developer submitted its development proposal dated October 18, 2005, as amended, (the “Redevelopment Proposal”) to the TIF Commission for redevelopment of the Redevelopment Area.

D. On January 11, 2006, following a public hearing held on January 11, 2006, in accordance with the TIF Act, the TIF Commission adopted a resolution approving the Redevelopment Plan titled “Union Club TIF Redevelopment Plan” dated November 16, 2005, (the “Redevelopment Plan”), the Redevelopment Project described in the Redevelopment Plan (the “Redevelopment Project”) and the Redevelopment Area, subject to certain conditions (the “Resolution”).

E. The Resolution of the TIF Commission recommended that the Board of Aldermen adopt tax increment financing with respect to the Redevelopment Area by passage of an ordinance complying with the terms of Section 99.845 of the Act that provides for a pass through to the taxing districts of 50% of all PILOTs derived from the residential portion of the proposed Redevelopment Project; and adopt an ordinance in the form required by the Act (a) approving the Redevelopment Plan in accordance with its recommendations, (b) approving and designating the Redevelopment Area as a “redevelopment area” as provided in the Act,

(c) approving the Redevelopment Project, and (d) creating the Union Club Special Allocation Fund.

F. On _____, 2005, after due consideration of the TIF Commission's recommendations, the Board of Aldermen adopted Ordinance No. _____ [Board Bill No. ____] designating the Redevelopment Area as a "redevelopment area" as provided in the TIF Act, approving the Redevelopment Plan, approving the Redevelopment Project described in the Redevelopment Plan, adopting tax increment allocation financing within the Redevelopment Area and establishing the Special Allocation Fund.

G. On _____, 2006, the Board of Alderman adopted Ordinance No. _____ [Board Bill No. ____] affirming adoption of the Redevelopment Area, Redevelopment Plan and Redevelopment Project, designating the Developer as developer of the Redevelopment Area, and authorizing the City to enter into this Agreement with Developer.

H. On _____, 2006, the Board of Alderman adopted Ordinance No. _____ [Board Bill No. ____] authorizing the issuance of TIF Notes as evidence of the City's obligation to pay certain Redevelopment Project Costs incurred in furtherance of the Redevelopment Plan and the Redevelopment Project and pledging TIF Revenues to the payment of the TIF Notes.

I. The Board of Aldermen hereby determines that the acceptance of the Redevelopment Proposal and the fulfillment generally of this Agreement are in the best interests of the City, and the health, safety and welfare of its residents, and in accord with the public purposes specified in the Redevelopment Plan.

J. Pursuant to provisions of the TIF Act and Ordinance Nos. _____, _____ and _____ [Board Bill Nos. _____, _____ and _____], the City is authorized to enter into this Agreement, to issue TIF Notes as evidence of the City's obligation to pay certain Redevelopment Project Costs incurred in furtherance of the Redevelopment Plan and the Redevelopment Project, and to pledge TIF Revenues to the payment of the TIF Notes.

AGREEMENT

Now, therefore, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS

1.1 Definitions. As used in this Agreement, the following words and terms shall have the following meanings:

"*Acquisition Costs*" means the consideration paid by Developer to a third party to acquire fee simple interest in the Property.

"*Act*" or "*TIF Act*" means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (2000), as amended.

"*Agreement*" means this Redevelopment Agreement, as the same may be from time to time modified, amended or supplemented in writing by the parties hereto.

"*Approved Investors*" means (a) the Developer or a Related Entity, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business corporation or enterprise with total assets in excess of \$50,000,000.

"*Approving Ordinance*" means Ordinance No. _____ [Board Bill No. ____] designating the Redevelopment Area, approving the Redevelopment Plan, approving the Redevelopment Project, adopting tax increment allocation financing within the Redevelopment Area, and establishing the Special Allocation Fund.

"*Authority*" means The Industrial Development Authority of The City of St. Louis, Missouri, a public corporation duly organized under Chapter 349 of the Revised Statutes of Missouri.

"*Authorizing Ordinance*" means Ordinance No. _____ [Board Bill No. ____] affirming approval and adoption of the Redevelopment Plan, Redevelopment Project, and designation of the Redevelopment Area, designating Developer as the developer of the Redevelopment Area, and authorizing the City to enter into a Redevelopment Agreement with Developer.

"*Available Revenues*" means all monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account, and (b) subject to annual appropriation, the EATS Account that have been appropriated to the repayment of the TIF Notes, excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) 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 sum.

"*Board of Aldermen*" means the Board of Aldermen of the City.

“*Bond Counsel*” means Armstrong Teasdale LLP, St. Louis, Missouri, or an attorney at law or a firm of attorneys acceptable to the City of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

“*Bond Proceeds*” means the gross cash proceeds from the sale of TIF Bonds before payment of Issuance Costs, together with any interest earned thereon.

“*Certificate of Commencement of Construction*” means a document substantially in the form of **Exhibit C**, attached hereto and incorporated by reference herein, delivered by Developer to the City in accordance with this Agreement and evidencing commencement of construction of the Redevelopment Project.

“*Certificate of Reimbursable Redevelopment Project Costs*” means a document substantially in the form of **Exhibit D**, attached hereto and incorporated herein by reference, provided by the Developer to the City in accordance with this Agreement and evidencing Reimbursable Redevelopment Project Costs incurred by the Developer.

“*Certificate of Substantial Completion*” means a document substantially in the form of **Exhibit E**, attached hereto and incorporated herein by reference, issued by the Developer to the City in accordance with this Agreement and evidencing the Developer’s satisfaction of all obligations and covenants to construct the Redevelopment Project in accordance with the Redevelopment Plan and this Agreement.

“*City*” means the City of St. Louis, Missouri, a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri.

“*Comptroller*” means the Comptroller of the City.

“*Construction Plans*” means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections, submitted by the Developer and approved by the City in accordance with applicable law.

“*Developer*” means Gilded Age, L.L.C., a limited liability company duly organized and existing under the laws of the State of Missouri, or its permitted successors or assigns in interest.

“*Economic Activity Taxes*” or “*EATs*” shall have the meaning ascribed to such term in Section 99.805(4) of the TIF Act.

“*Excess Project-Related Profits*” means the sum of: (a) the net cash sales proceeds received by the Developer from the sale of the Redevelopment Project to a third party, (b) the proceeds of any Neighborhood Preservation Act or other federal or state tax credits made available for the Redevelopment Project, if any, and (c) the principal amount of any TIF Notes issued pursuant to Article V, less: (x) the amount of Verified Total Project Costs, and (y) the combination of (i) fifteen percent (15%) of the amount of all Verified Total Project Costs, other than Acquisition Costs, and (ii) four percent (4%) of the amount of all Acquisition Costs.

“*Governmental Approvals*” means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, or other subdivision, zoning, or similar approvals required for the implementation of the Redevelopment Project related to the Redevelopment Area and consistent with the Redevelopment Plan and this Agreement.

“*Issuance Costs*” means all costs reasonably incurred by the City in furtherance of the issuance of TIF Obligations, including without limitation the fees and expenses of financial advisors and consultants, the City’s attorneys (including issuer’s counsel and Bond Counsel), the City’s administrative fees and expenses (including fees and costs of its planning consultants and SLDC), underwriters’ discounts and fees, the costs of printing any TIF Obligations and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating agency rating any TIF Obligations.

“*MBE/WBE Compliance Officer*” means the City’s Assistant Airport Director, Department of MBE/WBE Certification and Compliance.

“*MBE/WBE Subcontractor’s List*” means the form of City of St. Louis MBE/WBE Subcontractor’s List published by the Board of Public Service of the City, such form being attached hereto as **Exhibit H** and incorporated herein by this reference.

“*MBE/WBE Utilization Statement*” means the form of City of St. Louis MBE/WBE Utilization Statement prepared by the Board of Public Service of the City published by the Board of Public Service of the City, such form being attached hereto as **Exhibit I** and incorporated herein by this reference.

“*Maturity Date*” means the date that is twenty three (23) years after the date of adoption of the Approving Ordinance.

“*Note Ordinance*” means Ordinance No. _____ [Board Bill No. _____] adopted by the Board of Aldermen authorizing the issuance of TIF Notes and all related proceedings.

“*Original Purchaser*” means the Developer, a Related Entity, Project Lender or a “qualified institutional buyer” under Rule

144A promulgated under the Securities Act of 1933; provided, however, that any such Related Entity or Project Lender shall also qualify as an Approved Investor and shall be designated in writing by the Developer as the Original Purchaser.

“*Payments in Lieu of Taxes*” or “*PILOTS*” shall have the meaning ascribed to such term in Section 99.805(10) of the TIF Act.

“*Project Fund*” means the Project Fund created in the Note Ordinance.

“*Project Lender*” means a commercial bank, savings bank, savings & loan association, credit union or other financial institution that has loaned funds to the Developer be used for construction of the Redevelopment Project and has secured such loan with a mortgage or security interest in the Redevelopment Project.

“*Property*” means the real property (including without limitation all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) and existing improvements in the Redevelopment Area as set forth in the Redevelopment Plan.

“*Redevelopment Area*” means the real property described in **Exhibit A**, attached hereto and incorporated herein by reference.

“*Redevelopment Plan*” means the plan titled “Union Club TIF Redevelopment Plan” dated November 16, 2005, approved by the City pursuant to the Approving Ordinance, as such plan may from time to time be amended in accordance with the TIF Act.

“*Redevelopment Project*” means the Redevelopment Project identified by the Redevelopment Plan, consisting of (1) the acquisition of the Property, (2) demolition of existing structures thereon, (3) clearance of the site, (4) construction of a new building consisting of a minimum of 39 residential units, a minimum of 14,000 square feet of commercial space and parking, and (5) construction, reconstruction and/or rehabilitation of related infrastructure and/or public improvements including without limitation utilities, roadwork, sidewalks, landscaping and lighting, all as further set forth in the Redevelopment Plan, and as approved by the Approving Ordinance.

“*Redevelopment Project Costs*” shall have the meaning ascribed to such term in Section 99.805(14) of the TIF Act.

“*Redevelopment Proposal*” means the document on file with the City and incorporated herein by reference, titled “Union Club TIF Application,” dated October 18, 2005 and submitted by the Developer to the City.

“*Reimbursable Redevelopment Project Costs*” means those Redevelopment Project Costs as described in **Exhibit B**, attached hereto and incorporated herein by reference, for which the Developer is eligible for reimbursement in accordance with this Agreement.

“*Related Entity*” means any party or entity related to the Developer by one of the relationships described in Section 267(b), Section 707(b)(1)(A) or Section 707(b)(1)(B) of the Internal Revenue Code of 1986, as amended.

“*Relocation Plan*” means the relocation plan of the City for the Redevelopment Area as contained in the Redevelopment Plan, which relocation plan was adopted on December 20, 1991, pursuant to Ordinance No. 62481.

“*SLDC*” means the St. Louis Development Corporation, a non-profit corporation organized and existing under the laws of the State of Missouri.

“*Special Allocation Fund*” means the Union Club Special Allocation Fund, created by the Approving Ordinance in accordance with the TIF Act, and including the accounts and sub-accounts for the Redevelopment Project into which TIF Revenues are from time to time deposited in accordance with the TIF Act and this Agreement.

“*TIF Bonds*” means tax increment revenue bonds, if any, authorized and issued by the Authority in accordance with the TIF Act and this Agreement.

“*TIF Commission*” means the Tax Increment Financing Commission of the City of St. Louis, Missouri.

“*TIF Notes*” means tax increment revenue notes issued to an Original Purchaser by the City pursuant to and subject to this Agreement and the Note Ordinance in substantially the form set forth in Exhibit B to the Note Ordinance, to evidence the City’s limited obligation to repay Reimbursable Redevelopment Project Costs incurred by the Developer on behalf of the City in accordance with the TIF Act and this Agreement.

“*TIF Obligations*” means TIF Bonds, TIF Notes or other obligations, singly or in series, issued by the City or the Authority, as the case may be, pursuant to the TIF Act and in accordance with this Agreement.

“*TIF Revenues*” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the Redevelopment Area over and above the initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as paid to the City Treasurer by the City Collector of

Revenue during the term of the Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by the Board of Aldermen, 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(16) of the TIF 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 ending December 31, 2005 (subject to annual appropriation by the City as provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, all as provided in Section 99.845 of the TIF Act. Notwithstanding the foregoing, TIF Revenues shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

“*Verified Total Project Costs*” means the sum total of all reasonable or necessary costs incurred, and any such costs incidental to the Redevelopment Project or the Work, including, but not limited to, all Acquisition Costs, Issuance Costs, Redevelopment Project Costs and Reimbursable Redevelopment Project Costs, as limited by other paragraphs in this Section.

“*Work*” means all work necessary to prepare the Redevelopment Area and to construct or cause the construction and completion of the Redevelopment Project described in the Redevelopment Plan and this Agreement, including but not limited to: (1) property acquisition; (2) site preparation, infrastructure improvements and environmental remediation; (3) demolition of the building currently existing within the Redevelopment Area; (4) clearance, grading and preparation of the site and construction of a new building; (5) professional services, including, but not limited to, architecture, engineering, surveying, financing, legal, planning and consulting; and (6) all other work described in the Redevelopment Proposal, Redevelopment Plan and this Agreement, or reasonably necessary to effectuate the intent of this Agreement.

ARTICLE II. ACCEPTANCE OF PROPOSAL

2.1 Developer Designation. The City hereby selects the Developer to perform or cause the performance of the Work in accordance with the Redevelopment Plan and this Agreement and all Governmental Approvals. To the extent of any inconsistency among the foregoing, the parties agree that the Redevelopment Plan shall govern.

2.2 Developer to Advance Costs. The Developer agrees to advance all Redevelopment Project Costs as necessary to acquire the Property and to complete the Work, all subject to the Developer’s right to abandon the Redevelopment Project and to terminate this Agreement as set forth in Section 7.1 of this Agreement. Additionally, and not by way of limitation:

(i) the City acknowledges payment by the Developer of a Five Thousand Dollar and no/100 (\$5,000.00) TIF Application Fee;

(ii) the City acknowledges that, prior to the execution of this Agreement, the Developer paid the sum of Five Thousand Seven Hundred Dollars and no/100 (\$5,700.00) (which sum represents 0.3% of the maximum amount of TIF Notes allowed to be issued by the City pursuant to **Section 4.1** of this Agreement), which monies have been paid one half to the Comptroller and one half to the SLDC to reimburse the Comptroller and the SLDC for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

(iii) the Developer shall, within ten (10) days after the date of execution of this Agreement, pay the sum of Five Thousand Seven Hundred Dollars and no/100 (\$5,700.00) (which sum represents 0.3% of the maximum amount of TIF Notes allowed to be issued by the City pursuant to **Section 4.1** of this Agreement), which monies shall be paid one half to the Comptroller and one half to the SLDC to reimburse the Comptroller and the SLDC for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

(iv) the Developer shall pay to the Comptroller an additional amount to reimburse the Comptroller for its actual legal expenses incurred in connection with the review of the Redevelopment Proposal, the review and adoption of the Redevelopment Plan and the negotiation, execution and implementation of the Redevelopment Agreement, which amount shall be paid as follows: (i) all such costs incurred through the date of execution of the Redevelopment Agreement shall be paid within ten (10) days after the execution of the Redevelopment Agreement, and (ii) all such costs incurred after the date of execution of the Redevelopment Agreement and prior to the date upon which the City receives from Developer a Certificate of Reimbursable Redevelopment Project Costs shall be paid concurrently with the initial issuance of the TIF Notes; and

(v) the Developer shall, concurrently with the initial issuance of the TIF Notes, pay to the City a flat fee to be reasonably determined by the City in its sole discretion at the time of issuance to pay for the City’s Issuance Costs of such TIF Notes; and

(vi) any amounts advanced to the City shall represent Reimbursable Redevelopment Project Costs to be reimbursed exclusively from the proceeds of TIF Obligations as provided in and subject to **Articles IV and V** of this Agreement.

ARTICLE III. CONSTRUCTION OF REDEVELOPMENT PROJECT

3.1 Acquisition of Property. Developer represents that, as of the date of this Agreement, Developer or a Related Entity is the fee owner of the Property. Any additional properties acquired by the Developer for completion of the Work shall be held in the name of the Developer and shall be subject to the terms, conditions and covenants contained herein and in the Redevelopment Plan immediately upon acquisition.

3.2 Condemnation. As of the date of this Agreement, it is not anticipated that the exercise of the power of eminent domain will be necessary to acquire any portion of the Property in the Redevelopment Area.

3.3 Relocation. The Developer shall identify any Displaced Person (as defined in Ordinance No. 62481 of the City) that is entitled to relocation payments or relocation assistance under the Relocation Plan. The City shall, at the Developer's sole cost and expense, subject to reimbursement as a Reimbursable Redevelopment Project Cost in accordance with **Article IV** of this Agreement, coordinate such relocation payments and relocation assistance in accordance with the Relocation Plan. Notwithstanding the foregoing, as of the date of this Agreement, it is not anticipated that any such relocation assistance will be necessary in connection with the Redevelopment Project.

3.4 Developer to Construct the Work. The Developer shall commence or cause the commencement of the construction of the Work within one hundred twenty (120) days of the date of this Agreement, which Work shall be constructed in a good and workmanlike manner in accordance with the terms of this Agreement and the Redevelopment Plan. The Developer shall substantially complete or cause the Work to be substantially complete not later than April 1, 2009 absent an event of Force Majeure. In the event of any delay caused by an event of Force Majeure as defined in **Section 7.5** of this Agreement, Developer shall be granted additional time to complete the Work, but under no circumstance shall such time to complete the Work extend beyond April 1, 2010.

The Developer may enter into or cause to be entered into one or more construction contracts to complete the Work. Prior to the commencement of construction of any portion of the Work, the Developer shall obtain or shall require that any of its contractors obtain workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts customary in the industry for similar type projects. The Developer shall require that such insurance be maintained by any of its contractors for the duration of the construction of such portion of the Work. To the extent that laws pertaining to prevailing wage and hour apply to any portion of the Work the Developer agrees to take all actions necessary to apply for the wage and hour determinations and otherwise comply with such laws.

3.5 Governmental Approvals. The City and, at its direction, the SLDC agree to employ reasonable and good faith efforts to cooperate with the Developer and to process and timely consider and respond to all applications for the Governmental Approvals as received, all in accordance with the applicable City ordinances and laws of the State of Missouri.

3.6 Construction Plans; Changes. The Construction Plans shall be prepared by a professional engineer or architect licensed to practice in the State of Missouri and the Construction Plans and all construction practices and procedures with respect to the Work shall be in conformity with all applicable state and local laws, ordinances and regulations. During the progress of the Work, the Developer may make such reasonable changes, including without limitation modification of the construction schedule, subject to the provisions of **Section 3.4**, including but not limited to, dates of commencement and completion (subject to the time limitations set forth in this Agreement), modification of the areas in which the Work is to be performed, relocation, expansion or deletion of items, revisions to the areas and scope of Work, and any and all such other changes as site conditions or orderly development may dictate or as may be necessary or desirable, in the sole determination of the Developer, to enhance the economic viability of the Redevelopment Project and as may be in furtherance of the general objectives of the Redevelopment Plan; provided that (a) the Developer shall comply with all laws, regulations and ordinances of the City and (b) prior to any material changes, the Developer shall obtain the advance written consent of the SLDC, which consent shall not be unreasonably withheld or delayed. For purposes of this **Section 3.6**, "material changes" shall mean (i) any change that could reasonably be expected to result in a decrease in the aggregate amount of TIF Revenues generated within the Redevelopment Area to an amount less than 90% of the aggregate amount of TIF Revenues as projected in the Proposal; or (ii) any change that would reduce or increase the final number of residential units or reduce the final total square footage of commercial space by more than ten percent (10%) of the square footage set forth in this Agreement, the Redevelopment Proposal, the Redevelopment Plan and the Construction Plans.

3.7 Certificate of Commencement of Construction. The Developer shall furnish to the SLDC, with a copy to the Comptroller, a Certificate of Commencement of Construction, which certificate shall be submitted for the Redevelopment Project in accordance with the schedule set forth in **Section 3.4** of this Agreement and in the form of **Exhibit C** attached hereto and incorporated herein by reference. The Certificate of Commencement of Construction shall be deemed accepted by the SLDC upon receipt of the same.

3.8 Certificate of Substantial Completion. Promptly after substantial completion of the Work, the Developer shall furnish to the City and the SLDC a Certificate of Substantial Completion. The Mayor or his designee and the SLDC shall, within thirty (30) days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by the City and the SLDC unless, within thirty (30) days following delivery of the Certificate of Substantial Completion, the Mayor or his designee or SLDC furnishes the Developer with specific written objections to the status of the Work, describing such objections and the measures required to correct such objections in

reasonable detail. In the case where the Mayor or his designee or SLDC, within thirty (30) days following delivery of the Certificate of Substantial Completion to the Developer with specific written objections to the status of the Work, the Developer shall have such amount of time as is reasonably necessary to address such objections and when addressed shall re-submit the Certificate of Substantial Completion to the Mayor or his designee or the SLDC in accordance with this Section. Upon acceptance of the Certificate of Substantial Completion by the Mayor or his designee and the SLDC for the Redevelopment Project, or upon the lapse of thirty (30) days after delivery thereof to the Mayor or his designee and the SLDC without any written objections thereto, the Developer may record the Certificate of Substantial Completion with the City's Recorder of Deeds, and the same shall constitute evidence of the satisfaction of the Developer's agreements and covenants to perform all the Work. The Certificate of Substantial Completion shall be in substantially the form attached as **Exhibit E**, attached hereto and incorporated by referenced herein.

ARTICLE IV. REIMBURSEMENT OF DEVELOPER COSTS

4.1 City's Obligation to Reimburse Developer. Subject to the terms of the Note Ordinance and this Agreement, the City agrees to reimburse Developer for the verified Reimbursable Redevelopment Project Costs in a total amount not to exceed One Million Nine Hundred Thousand Dollars (\$1,900,000) plus Issuance Costs to be allocated to the Redevelopment Project.

Subject to the terms of the Note Ordinance and this Agreement, the City agrees to issue TIF Notes to Developer to evidence the City's obligation to reimburse Developer for verified Reimbursable Redevelopment Project Costs in an amount not to exceed One Million Nine Hundred Thousand Dollars (\$1,900,000), plus Issuance Costs and interest as provided in **Section 5.2** of this Agreement, subject to the limitations of **Article IV** of this Agreement.

4.2 Reimbursements Limited to Reimbursable Redevelopment Project Costs; Developer's Right to Substitute. Nothing in this Agreement shall obligate the City to issue TIF Notes or to reimburse the Developer for any cost that is not incurred pursuant to Section 99.820.1 of the TIF Act or that does not qualify as a "redevelopment project cost" under Section 99.805(14) of the TIF Act. The Developer shall provide to the City (a) itemized invoices, receipts or other information evidencing such costs; and (b) a Certificate of Reimbursable Redevelopment Project Costs constituting certification by the Developer that such cost is eligible for reimbursement under the TIF Act. Within thirty (30) days of the City's receipt from the Developer of a Certificate of Reimbursable Redevelopment Project Costs, the City shall review and act upon such Certificate of Reimbursable Redevelopment Project Costs. The parties agree that each of the categories of costs set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, shall constitute Reimbursable Redevelopment Project Costs which are eligible for reimbursement in accordance with the TIF Act and this Agreement. The Developer shall be entitled to reimbursement for Redevelopment Project Costs from any of the categories set forth in **Exhibit B** up to the maximum aggregate amount established in **Section 4.1** of this Agreement; provided, that the Developer shall be obligated to advance to the City the full amounts identified in **Section 2.2, clauses (i)-(v)**, of this Agreement. If the City determines that any cost identified as a Reimbursable Redevelopment Project Cost is not a "redevelopment project cost" under Section 99.805(14) of the TIF Act, the City shall so notify the Developer in writing within the 30-day period referenced in this **Section 4.2**, identifying the ineligible cost and the basis for determining the cost to be ineligible, whereupon the Developer shall have the right to identify and substitute other Redevelopment Project Costs as Reimbursable Redevelopment Project Costs with a supplemental application for payment. If the City fails to approve or disapprove any Certificate of Reimbursable Redevelopment Project Costs within thirty (30) days after receipt thereof, the Certificate of Reimbursable Redevelopment Project Costs shall be deemed approved, subject to the provisions of the TIF Act.

4.3 Cost Savings.

In addition to the documents required to be provided to the City under **Section 4.2** of this Agreement, upon final completion of the Redevelopment Project, Developer shall provide to the City itemized invoices, receipts, pay applications or other information evidencing the Verified Total Project Costs. Within ninety (90) days after the close of the initial sale of the last of all of the residential and commercial units located in the Redevelopment Area by the Developer, Developer also shall furnish to the City a statement detailing the Excess Project-Related Profits. The maximum amount of Reimbursable Redevelopment Project Costs for which the Developer shall be reimbursed by the City as provided for in **Section 4.1** of this Agreement and the maximum amount of any TIF which shall be issued by the City in accordance with **Section 5.2** of this Agreement shall be reduced by an amount equal to seventy-five percent (75%) of the total Excess Project Related Profits.

Developer shall not include developer fees, tax credit partner fees or consultant fees for any service typically performed by the Developer in the Verified Total Project Costs. With respect to any other costs for any services provided by the Developer or any entity related to the Developer, the amount of such costs shall not exceed the amount set forth in the Redevelopment Plan for such services. Moreover, if any of the owners, officers, principals or members of the construction contractor for the Redevelopment Project are the same as any owner, officer, principal or member of Developer or general partner in the owner of the development, amounts allowed for aggregate contractor fees shall not exceed eighteen percent (18%) of construction costs as provided for in the Missouri Housing Development Commission's 2005 Qualified Allocation Plan for the Low Income Housing Tax Credit Program, and Developer shall include documentation, including detailed invoices and receipts for payment, for each and every item of costs traceable to third parties with no relationship to Developer, in addition to summary pay applications submitted to Developer by the construction contractor.

4.4 City's Obligations Limited to Special Allocation Fund and Bond Proceeds. Notwithstanding any other term or provision of this Agreement, TIF Notes issued by the City to the Developer for Reimbursable Redevelopment Project Costs are payable only from the Special Allocation Fund and from Bond Proceeds, if any, and from no other source. The City has not pledged its full faith and credit relative to the City's obligation to issue TIF Notes or to pay any Reimbursable Redevelopment Project Costs.

The TIF Obligations shall be special, limited obligations of the City, and shall not constitute debt to the City within any constitutional or statutory meaning of the word "debt."

ARTICLE V. TIF OBLIGATIONS

5.1 Conditions Precedent to the Issuance of TIF Notes. No TIF Notes shall be issued until such time as the City has (i) accepted or been deemed to have accepted a Certificate of Substantial Completion in accordance with the procedures set forth in **Section 3.8** of this Agreement; (ii) with respect to issuance of any TIF Obligations to a Qualified Institutional Buyer, received the documentation specified in **Section 4.3** of this Agreement and calculated the amount of the clawback as provided for therein; (iii) with respect only to issuance of any TIF Obligation to a Qualified Institutional Buyer, at least six (6) months have passed since the City's acceptance of the Certificate of Substantial Completion; (iv) approved or been deemed to have approved, to the extent permitted by law, a Certificate of Reimbursable Redevelopment Project Costs in substantially the form of **Exhibit D**, attached hereto and incorporated herein by reference, in accordance with the procedures set forth in **Section 4.2** of this Agreement; (v) obtained an opinion of Bond Counsel regarding the taxable nature of the TIF Notes; (vi) received the full payment of all advances required to be paid under **Section 2.2** of this Agreement; and (vii) received such other documentation as the City shall reasonably require of Developer in order for the City to obtain an opinion of Bond Counsel as required by this **Section 5.1**.

5.2 Issuance of TIF Notes. The City agrees to issue one or more TIF Notes as provided in this Agreement and the Note Ordinance to reimburse the Developer for Reimbursable Redevelopment Project Costs up to the maximum amount established in **Section 4.1** of this Agreement, subject to the limitations of **Article IV** of this Agreement. The TIF Notes shall be in the form attached hereto as **Exhibit B** of the Note Ordinance.

5.2.1. Terms. Each TIF Note shall bear interest at a fixed rate per annum, determined on the date that is not less than ten (10) business days and not more than sixty (60) days prior to the scheduled closing date for the issuance of the TIF Notes (the "Pricing Date") based on the municipal yield curve for general obligation bonds (the "MMD") compiled by Municipal Market Data-Line® (or its successors) and published by Thomson Financial, an operating unit of The Thomson Corporation (or its successors), using the MMD yield published as of the Issuance Date for general obligation bonds rated "AAA" that mature in the same year as the TIF Notes, (i) plus four percent (4%) or less if the interest on the TIF Notes (in the opinion of Bond Counsel) is not exempt from federal income taxation (the "Taxable Rate"), or (ii) plus two percent (2.0%) or less if the interest on the TIF Notes (in the opinion of Bond Counsel) is exempt from federal income taxation (the "Tax-Exempt Rate"); provided, in no event shall the interest rate on the TIF Notes exceed ten percent (10%) per annum. All TIF Notes shall have a stated maturity of the Maturity Date.

5.2.2. Procedures for Issuance of TIF Notes. Within a reasonable period of time but not to exceed ninety (90) days after Developer's satisfaction of the conditions of **Section 5.1** of this Agreement the City shall issue a TIF Note to an Original Purchaser evidencing reimbursement of Reimbursable Redevelopment Project Costs. Notwithstanding anything contained in this Agreement to the contrary, upon the acceptance by the City of a Certificate of Reimbursable Redevelopment Project Costs and the issuance by the City of a TIF Note as provided in this **Section 5.2**, the Developer shall be deemed to have advanced funds necessary to purchase such TIF Notes and the City shall be deemed to have deposited such funds in the Project Fund and shall be deemed to have reimbursed the Developer in full for such costs from the amounts deemed to be on deposit in the Project Fund from time to time.

5.2.3. Special Mandatory Redemption of TIF Notes. All TIF Notes are subject to special mandatory redemption by the City, in whole at any time or in part on each May 1 and November 1 (each, a "Payment Date") occurring after the acceptance by the City of the Certificate of Substantial Completion at a redemption price equal to 100% of the principal amount being redeemed, together with the accrued interest thereon to the date fixed for redemption.

5.3 Issuance of TIF Bonds.

5.3.1. The City may, at its own expense, and in its sole and absolute discretion, issue, or cause to be issued, TIF Bonds at any time in an amount sufficient to refund all or a portion of the outstanding TIF Notes.

5.3.2. Upon receipt of a written request by Developer and upon the City's underwriter's recommendation in favor of issuing TIF Bonds and recommendation of the principal amount thereof based on the criteria set forth below, the City shall use its best efforts to cause the Authority to issue TIF Bonds as described in this Section. The aggregate gross cash proceeds from the sale of the TIF Bonds before payment of Issuance Costs, together with any interest accrued thereon ("Bond Proceeds") of such TIF Bonds will be finally determined by the City after receiving the underwriter's recommendation based on the criteria set forth below. The City shall not be obligated to cause the Authority to issue such TIF Bonds unless the underwriter determines that all of the following criteria are satisfied as of the date of issuance of such bonds, unless such criteria are waived by the City's underwriter. Developer shall not have any liability for any costs associated with the issuance of TIF Bonds but shall bear its own costs and expenses, including any attorneys' fees and expenses, that Developer may incur in complying with this Section. Notwithstanding anything in this Section to the contrary, Developer shall be liable for all costs incurred by the City or the Authority in the event the Developer has requested the issuance of bonds and the City's underwriter has determined that such bonds cannot be issued at such time.

5.3.2.1. Criteria for Issuance. The underwriter's recommendation for issuance of TIF Bonds and the principal amount thereof shall be based on the following criteria:

- (i) Acceptance by the City of the Certificate of Substantial Completion;
- (ii) Developer's documentation of stabilization of the Redevelopment Project for a minimum period of two years after substantial completion as evidenced in a report to the City prepared by a qualified independent consultant to be paid for by the City, which report also sets forth TIF revenue projections for the Redevelopment Project in connection with the issuance of the TIF Bonds;
- (iii) Review of projections of TIF Revenues available for debt service as proposed by an independent qualified consultant. Such projections must show that (A) if all available TIF Revenues were to be applied to the immediate repayment of the TIF Bonds, the TIF Bonds would reasonably be anticipated to be retired within twenty-three years from the date of adoption of the Approving Ordinance, and (B) based on a maturity date twenty-three years from the date of adoption of the Approving Ordinance, the TIF Bonds are reasonably likely to achieve debt service coverage ratio reasonably acceptable to the City's underwriter;
- (iv) The aggregate net projected debt service on the TIF Bonds (taking into account the principal portion of the TIF Bonds that are issued to establish a reserve fund and to pay Issuance Costs, and including any reserve fund earnings) will be lower than the net average annual debt service on the outstanding TIF Notes, unless the Developer voluntarily elects to defer or forgive principal of and/or interest on the TIF Notes in an amount necessary to make the aggregate net projected debt service on the TIF Bonds lower than the net average annual debt service on the outstanding TIF Notes; and
- (v) The TIF Bonds can be sold at an aggregate net interest cost which is less than the aggregate net interest cost of the TIF Notes to be redeemed.

5.4 Application of TIF Bond Proceeds. Proceeds of any TIF Bonds shall be applied:

5.4.1. To the payment of costs relating to the issuance of the TIF Bonds;

5.4.2. To the payment of outstanding principal of and interest on the TIF Notes to be refunded;

5.4.3. To the payment of capitalized interest on the TIF Bonds; and

5.4.4. To the establishment of a debt service reserve fund for the TIF Bonds in a reasonable amount of the principal amount of TIF Bonds to be issued, as to be determined by the City's underwriter.

5.5 Cooperation in the Issuance of TIF Obligations. Developer covenants to cooperate and take all reasonable actions necessary to assist the City and its Bond Counsel, the Authority, underwriters and financial advisors in the preparation of offering statements, private placement memorandum or other disclosure documents and all other documents necessary to market and sell the TIF Obligations, including disclosure of tenants of the Redevelopment Area and the non-financial terms of the leases between Developer and such tenants. Developer will not be required to disclose to the general public or any investor any proprietary or confidential information, including financial information, pertaining to Developer, but upon the execution of a confidentiality agreement acceptable to Developer, Developer will provide such information to the City's financial advisors, underwriters and their counsel to enable such parties to satisfy their due diligence obligations. Developer shall make such compliance obligation a covenant running with the land, enforceable as if any subsequent transferee thereof were originally a party to and bound by this Agreement.

5.6 Subordinate Notes. If the amount of TIF Bonds issued pursuant to this Agreement is insufficient to refund all of the outstanding TIF Notes, the TIF Notes remaining outstanding shall be redeemed by the issuance of notes subordinate to the TIF Bonds (the "Subordinate Notes"). Each Subordinate Note shall have the same maturity and have the same outstanding principal amount and the same interest rate as the TIF Note it redeems. All such Subordinate Notes shall be payable as to principal and interest according to the terms set forth in **Sections 5.4 and 6.3** of this Agreement.

5.7 City to Select Underwriter and Financial Advisor; Term and Interest Rate. The City shall have the right to select the designated underwriter (and such financial advisors and consultants as the underwriter and the City deem necessary for the issuance of the TIF Bonds) and underwriter's counsel. The final maturity of the TIF Bonds shall not exceed the maximum term permissible under the TIF Act. The TIF Bonds shall bear interest at such rates, shall be subject to redemption and shall have such terms as the City shall determine in its sole discretion.

ARTICLE VI. SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES

6.1 Creation of Special Allocation Fund. The City agrees to cause its Comptroller or other financial officer to maintain the Special Allocation Fund, including a "PILOTs Account," an "EATs Account," and such further accounts or sub-accounts

as are required by this Agreement or as the Comptroller may deem appropriate in connection with the administration of the Special Allocation Fund pursuant to this Agreement. Subject to the requirements of the TIF Act and, with respect to Economic Activity Taxes, subject to annual appropriation by the Board of Aldermen, the City will promptly upon receipt thereof deposit all Payments in Lieu of Taxes into the PILOTs Account and all Economic Activity Taxes into the EATs Account.

6.2 Certification of Base for PILOTs and EATS.

6.2.1. Upon the reasonable written request of the City, Developer shall use its best efforts to provide or cause to be provided to the Comptroller or its authorized representative any documents necessary for the City to calculate the base for PILOTs and EATs including, but not limited to: (i) the address and locator number of all parcels of real property located within the Redevelopment Area; and (ii) information related to payment of utility taxes by any businesses, owners or other occupants of the Redevelopment Area in the calendar year ending December 31, 2005.

6.2.2. Within ninety (90) days after execution of the Redevelopment Agreement, the City shall provide to the Developer (i) a certification of the City Assessor of the total initial equalized assessed value of the taxable real property within the Redevelopment Area based upon the most recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of real property within the Redevelopment Area; and (ii) a certification of the amount of revenue from taxes, penalties and interest which are imposed by the City and other taxing districts and which are generated by economic activities within the Redevelopment Area for the calendar year ending December 31, 2005, but excluding those personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, taxes levied for the purpose of public transportation, or licenses, fees or special assessments identified as excluded in Section 99.845.3 of the TIF Act.

6.3 Application of Available Revenues. The City hereby agrees for the term of this Agreement to apply the Available Revenues and any taxes, fees or assessments subsequently enacted and imposed in substitution therefor and allocable to the Special Allocation Fund under the TIF Act or this Agreement to the repayment of TIF Notes issued under **Article V** of this Agreement as provided in the Note Ordinance and this Agreement.

6.4 Cooperation in Determining TIF Revenues. The City and the Developer agree to cooperate and take all reasonable actions necessary to cause the TIF Revenues to be paid into the Special Allocation Fund, including, but not limited to, the City's enforcement and collection of all such payments through all reasonable and ordinary legal means of enforcement.

6.5 Obligation to Report TIF Revenues. The Developer shall cause any purchaser or transferee of real property located within the Property, and any lessee or other user of real property located within the Property required to pay TIF Revenues, shall use all reasonable efforts to timely fulfill such obligations as are required by **Section 6.4** of this Agreement. So long as any of the TIF Obligations are outstanding, the Developer shall cause such obligations to be covenants running with the land, which covenants shall be enforceable as if such purchaser, transferee, lessee or other user of such real property were originally a party to and bound by this Agreement.

6.6 Notice to City of Transfer. The Developer agrees to notify the City in writing of any sale, transfer or other disposition of the Property or any interest therein as permitted by **Section 7.3.2** of this Agreement at least fifteen (15) days prior to such sale, transfer or other disposition. Said notice shall specify the name and address of the person so acquiring any or all of the Property or any interest therein and shall identify the Property to be sold, transferred or otherwise disposed, whether by voluntary transfer or otherwise. Notwithstanding the foregoing, Developer shall not be required to notify the City of the sale, lease or transfer of a residential or commercial unit or parking space in the ordinary course of business except as may be required by **Section 4.3**.

ARTICLE VII. GENERAL PROVISIONS

7.1 Developer's Right of Termination. At any time prior to the delivery of a Certificate of Substantial Completion, the Developer may, by giving written notice to the City, abandon the Redevelopment Project and terminate this Agreement and the Developer's obligations hereunder if the Developer determines, in its sole discretion, that the Redevelopment Project is no longer economically feasible. Upon such termination, the City shall have no obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

7.2 City's Right of Termination. The City may terminate this Agreement if (i) the Developer fails to submit to the MBE/WBE Compliance Officer a copy of Developer's MBE/WBE Subcontractor's List and its MBE/WBE Utilization Statement within one hundred twenty (120) days of the date of this Agreement, provided, however, that termination under this **Section 7.2(i)** may be waived in the sole discretion of the MBE/WBE Compliance Officer; or (ii) the Developer fails to submit its Certificate of Substantial Completion, acceptable to the City, in accordance with **Section 3.8** of this Agreement and the schedule set forth in **Section 3.4** of this Agreement. Upon such termination, the City shall have no obligation to issue a TIF Note or to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

7.3 Successors and Assigns.

7.3.1. Binding Effect. This Agreement shall be binding on and shall inure to the benefit of the parties named herein and their respective heirs, administrators, executors, personal representatives, successors and assigns.

7.3.2. Assignment or Sale. Without limiting the generality of the foregoing, all or any part of the Property or any interest therein may be sold, transferred, encumbered, leased, or otherwise disposed of at any time, and the rights of the Developer named herein or any successors in interest under this Agreement or any part hereof may be assigned at any time before, during or after redevelopment of the Redevelopment Project, whereupon the party disposing of its interest in the Property or assigning its interest under this Agreement shall be thereafter released from further obligation under this Agreement (although any such Property so disposed of or to which such interest pertains shall remain subject to the terms and conditions of this Agreement), provided, however, that until substantial completion of the Redevelopment Project, the fee title to the Property shall not be sold, transferred or otherwise disposed of and the rights, duties and obligations of the Developer under this Agreement shall not be assigned in whole or in part without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed upon a reasonable demonstration by the Developer of the proposed transferee's or assignee's experience and financial capability to undertake and complete such portions of the Work and perform the Developer's obligations under this Agreement, all in accordance with this Agreement. Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with: (a) the right of the Developer to encumber or collaterally assign its interest in the Property or any portion thereof or its rights, duties and obligations under this Agreement to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Redevelopment Project Costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment; and (b) the right of Developer to assign the Developer's rights, duties and obligations under this Agreement to a Related Entity; (c) the right of the Developer to sell or transfer a residential unit, commercial unit or parking space in the ordinary course of business; provided that in each such event (i) the Developer named herein (Gilded Age, L.L.C.) shall remain liable hereunder for the substantial completion of the Redevelopment Project, subject, however, to Developer's right of termination pursuant to **Section 7.1** of this Agreement, and shall be released from such liability hereunder only upon substantial completion of the Redevelopment Project and (ii) the Developer provides to the City fifteen (15) days' advance written notice of the proposed assignment or transfer other than of the sale or lease, transfer of a residential unit, commercial unit or parking space in the ordinary course of business which shall require no notice except as required by **Section 4.3**.

7.3.3 Assignment or Sale to Exempt Organization. Prior to any sale, transfer or other disposition of all or any portion of the Property or any interest therein to an organization exempt from payment of ad valorem property taxes, such organization shall be required to agree not to apply for an exemption from payment of such property taxes for a period ending on the earlier of the date that all TIF Obligations are paid in full or twenty-three (23) years from the date that the Approving Ordinance was adopted by the City. The Developer shall make this requirement a covenant running with the land, enforceable for such period as if such purchaser or other transferee or possessor thereof were originally a party to and bound by this Agreement.

7.4 Remedies. Except as otherwise provided in this Agreement and subject to the Developer's and the City's respective rights of termination, in the event of any default in or breach of any term or conditions of this Agreement by either party, or any successor, the defaulting or breaching party (or successor) shall, upon written notice from the other party specifying such default or breach, proceed immediately to cure or remedy such default or breach, and shall, in any event, within thirty (30) days after receipt of notice, cure or remedy such default or breach. In the event that the defaulting or breaching party (or successor) diligently and in good faith commences to cure or remedy such default or breach but is unable to cure or remedy such default or breach within thirty (30) days after receipt of notice, the defaulting or breaching party (or successor) shall, prior to the end of such thirty (30) days, provide notice to the other party that it has in good faith commenced to cure or remedy such default or breach, whereupon the defaulting or breaching party (or successor) shall have an additional thirty (30) days to cure or remedy such default or breach. In case such cure or remedy is not taken or not diligently pursued, or the default or breach shall not be cured or remedied prior to the end of the additional thirty (30) day period, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including without limitation proceedings to compel specific performance by the defaulting or breaching party.

7.5 Force Majeure. Neither the City nor the Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended in the event of any delay caused by force majeure (except as expressly limited in **Section 3.4**), including without limitation damage or destruction by fire or casualty; strike; lockout; civil disorder; war; restrictive government regulations; lack of issuance of any permits and/or legal authorization by the governmental entity necessary for the Developer to proceed with construction of the Work or any portion thereof; shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or wet soil conditions; or other like causes beyond the parties' reasonable control, including without limitation any litigation, court order or judgment resulting from any litigation affecting the validity of the Redevelopment Plan, the Redevelopment Project or the TIF Obligations or this Agreement; provided that (i) such event of force majeure shall not be deemed to exist as to any matter initiated or sustained by the Developer in bad faith, and (ii) the Developer notifies the City in writing within thirty (30) days of the commencement of such claimed event of force majeure.

7.6 Notices. All notices, demands, consents, approvals, certificates and other communications required by this Agreement to be given by either party hereunder shall be in writing and shall be hand delivered or sent by United States first class mail, postage prepaid, addressed to the appropriate party at its address set forth below, or at such other address as such party shall have last designated by notice to the other. Notices, demands, consents, approvals, certificates and other communications shall be deemed given when delivered or three days after mailing; provided, however, that if any such notice or other communication shall also be sent by telecopy or fax machine, such notice shall be deemed given at the time and on the date of machine transmittal if the sending party receives a written send verification on its machines and forwards a copy thereof with its mailed or courier delivered

notice or communication.

- (i) In the case of the Developer, to:

Gilded Age, L.L.C.
1915 Park Avenue
St. Louis, MO 63104
Attention: Chris Goodson
Facsimile: (314) 241-0843

With a copy to:

Husch & Eppenberger, LLC
190 Carondelet Plaza, Suite 600
St. Louis, Missouri 63105
Attention: David G. Richardson
Facsimile: (314) 480-1505

- (ii) In the case of the City, to:

City of St. Louis
Office of the Mayor
City Hall
1200 Market Street, Room 200
St. Louis, Missouri 63103
Attention: Barbara Geisman, Executive Director for Development
Facsimile: 314-622-3440

and

City of St. Louis
Office of the Comptroller
City Hall
1200 Market Street, Room 212
St. Louis, Missouri 63103
Attention: Ivy Neyland-Pinkston, Deputy Commissioner

With a copy to:

SLDC
1015 Locust Street
Suite 1200
St. Louis, Missouri 63101
Attention: Dale Ruthsatz
Facsimile: 314-231-2341

and

Armstrong Teasdale LLP
One Metropolitan Square, Suite 2600
St. Louis, Missouri 63102
Attention: Heidi Potter Klosterman
Facsimile: 314-621-5065

- (iii) In the case of the SLDC, to:

SLDC
1051 Locust Street, Suite 1200
St. Louis, Missouri 63101
Attention: Dale Ruthsatz
Facsimile: 314-231-2341

7.7 Conflict of Interest. No member of the Board of Aldermen, the TIF Commission, or any branch of the City's government who has any power of review or approval of any of the Developer's undertakings, or of the City's contracting for goods or services for the Redevelopment Area, shall participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Board of Aldermen the nature of such interest and seek a determination by the Board of Aldermen with respect to such interest and, in the meantime, shall not

participate in any actions or discussions relating to the activities herein proscribed.

7.8 **Damage or Destruction of Redevelopment Project.** In the event of total destruction or damage to the Redevelopment Project by fire or other casualty, during construction or thereafter during the term of this Agreement so long as any TIF Notes are outstanding and the Developer or a Related Entity owns the Property, the Developer shall determine and advise the City in writing within one year of such destruction or damage whether to restore, reconstruct and repair any such destruction or damage so that the Redevelopment Project will be completed or rebuilt in accordance with the Redevelopment Plan and this Agreement. Should the Developer determine not to restore, reconstruct and repair, all unaccrued liability of the City for any payments of principal of or interest on the TIF Notes shall immediately terminate and the Developer shall promptly surrender the TIF Notes to the City for cancellation. In the event of such total destruction or damage during the term of this Agreement and after any TIF Bonds are issued or the issuance of a TIF Note to a purchaser other than the Developer or a Related Entity, the Developer shall, at the City's option after consultation with the Developer, tender to the City that portion of the insurance proceeds, if any, to which Developer is entitled, after satisfaction of any terms or obligations of any deed of trust, promissory note or financing agreement entered into by the Developer for the financing of all or any part of the Redevelopment Project, from any fire or casualty insurance policy in an amount equal to the outstanding principal amount of the TIF Bonds or TIF Notes, plus accrued interest thereon to be deposited into the Special Allocation Fund.

7.9 **Inspection.** The City may conduct such periodic inspections of the Work as may be generally provided in the building code of the City. In addition, the Developer shall allow other authorized representatives of the City reasonable access to the Work site from time to time upon advance notice prior to the completion of the Work for inspection thereof. The Developer shall not unreasonably deny the City and its officers, employees, agents and independent contractors the right to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents pertaining to the construction of the Work as the City determines is reasonable and necessary to verify the Developer's compliance with the terms of this Agreement.

7.10 **Choice of Law.** This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by the laws of State of Missouri for all purposes and intents.

7.11 **Entire Agreement; Amendment.** The parties agree that this Agreement constitutes the entire agreement between the parties and that no other agreements or representations other than those contained in this Agreement have been made by the parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the parties.

7.12 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute one and the same instrument.

7.13 **Severability.** In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

7.14 **Representatives Not Personally Liable.** No elected or appointed official, agent, employee or representative of the City shall be personally liable to the Developer in the event of any default or breach by any party under this Agreement, or for any amount which may become due to any party or on any obligations under the terms of this Agreement.

7.15 **Attorney's Fees.**

In any dispute arising out of or relating to this Agreement, including any action to enforce this Agreement against a defaulting or breaching party pursuant to **Section 7.4**, the prevailing party shall recover from the non-prevailing party the prevailing party's attorney fees, in addition to any other damages to which it may be entitled

7.16 **Actions Contesting the Validity and Enforceability of the Redevelopment Plan.** In the event a third party brings an action against the City or the City's officials, agents, attorneys, employees or representatives contesting the validity or legality of the Redevelopment Area, the Redevelopment Plan, the TIF Notes, or the ordinance approving this Agreement, Developer shall join the City in defense of such claim or action and the Developer shall be responsible for all reasonable and necessary costs and expenses incurred by the City and by the Developer in connection with the defense of such claim or action; provided that if the City does not approve a settlement or compromise which the Developer would agree to, the Developer shall not be responsible for any costs or expenses incurred thereafter in the defense of such claim or action, and provided further that if such action is based solely on the malfeasance of the City or the City's failure to comply with its administrative procedures during the term of this Agreement, the City shall be solely responsible for the defense of such claim and for all reasonable and necessary costs and expenses incurred in connection with the defense of such action. The parties expressly agree that, so long as no conflicts of interest exist between them with regard to the handling of litigation brought by a third party, and except with respect to litigation that is the City's sole responsibility as provided for herein, the same attorney or attorneys may simultaneously represent the City and the Developer in any such proceeding. All cost of any such defense referenced herein, whether incurred by the City or the Developer, shall be deemed to be Reimbursable Redevelopment Project Costs and reimbursable from any amounts in the Special Allocation Fund, subject to Article IV of this Agreement.

7.17 **Release and Indemnification.** The indemnifications and covenants contained in this Section shall survive termination or expiration of this Agreement.

7.17.1. The City and its governing body members, officers, agents, attorneys, employees and independent

contractors shall not be liable to the Developer for damages or otherwise in the event that all or any part of the TIF Act, or any ordinance adopted in connection with either the TIF Act, this Agreement or the Redevelopment Plan, is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either the City is prevented from performing any of the covenants and agreements herein or the Developer is prevented from enjoying the rights and privileges hereof.

7.17.2. The Developer releases from and covenants and agrees that the City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for, and agrees to indemnify and hold harmless the City, its governing body members, officers, agents, attorneys, employees and independent contractors against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed (excluding consequential and punitive damages), to persons or property occurring or allegedly occurring as a result of any negligent or malicious acts or omissions of the Developer, its governing body members, officers, agents, attorneys, employees and independent contractors, in connection with its or their activities conducted pursuant to this Agreement.

7.17.3. The City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, employees, independent contractors or any other persons who may be about the Property or the Work except for matters arising out of the gross negligence or willful misconduct of the City and its governing body members, officers, agents, attorneys, employees and independent contractors.

7.17.4. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its governing body members, officers, agents, attorneys, employees or independent contractors in their individual capacities.

7.17.5. No governing body members, officers, agents, attorneys, employees or independent contractors of the City shall be personally liable to the Developer (i) in the event of a default or breach by any party under this Agreement or (ii) for any amount or any TIF Obligations which may become due to any party under the terms of this Agreement.

7.17.6. The Developer releases from and covenants and agrees that the City, its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for, and agrees to indemnify and hold the City, its governing body members, officers, agents, attorneys, employees and independent contractors, harmless from and against any and all third party suits, interest, claims and cost of reasonable attorneys fees incurred by any of them, resulting from, arising out of, or in any way connected with: (i) the enforcement of this Agreement, the validity of the TIF Obligations or the enforcement or validity of any other agreement or obligation made in connection therewith and their approvals (excluding opinions of counsel and of the City's financial advisors whenever such claim is based on such party's own negligence); (ii) the negligence or willful misconduct of the Developer or its officers, agents, employees or independent contractors in connection with the design, management, development, redevelopment and construction of the Work, or (iii) the compliance by the Developer with all applicable state, federal and local environmental laws, regulations and ordinances as applicable to the Property, to the extent such condition existed prior to the acquisition thereof by the Developer. The foregoing release and indemnification shall not apply in the case of such liability arising directly out of the negligence or malicious acts or omissions of the City or its governing body members, officers, agents, attorneys, employees and independent contractors in connection with its or their activities conducted pursuant to this Agreement or which arises out of matters undertaken by the City following termination of this Agreement as to the Redevelopment Project or any particular portion thereof.

7.18 Survival. Notwithstanding the expiration or termination or breach of this Agreement by either party, the agreements contained in **Section 2.2, clauses (iii)-(v), Article VI, Sections 7.10, 7.11, 7.12, 7.13, 7.14, 7.15, 7.16, 7.17 and Article VIII** of this Agreement shall, except as otherwise expressly set forth herein, survive such early expiration or early termination of this Agreement by either party.

7.19 Maintenance of the Property. The Developer shall remain in compliance with all provisions of the City's ordinances relating to maintenance and appearance of the Property during the construction of the Redevelopment Project or any portion thereof. Upon substantial completion of the Redevelopment Project and so long as any TIF Obligations are outstanding, the Developer or its successor(s) in interest, as owner or owners of the affected portion(s) of the Property, shall, during the remainder of the term of this Agreement (but subject to any delay caused by an event of force majeure as provided in **Section 7.5** of this Agreement), maintain or cause to be maintained the buildings and improvements within the Redevelopment Area which it owns in a good state of repair and attractiveness and in conformity with applicable state and local laws, ordinances and regulations. If there are separately-owned or ground leased parcels of real estate on the Property during the term of this Agreement, each owner or lessee as a successor in interest to the Developer shall maintain or cause to be maintained the buildings and improvements on its parcel in a good state of repair and attractiveness and in conformity with applicable state and local laws, ordinances and regulations.

7.20 Non-Discrimination. The Developer agrees that, during the term of this Agreement and as an independent covenant running with the land, there shall be no discrimination upon the basis of race, creed, color, national origin, sex, age, marital status or physical handicap in the sale, lease, rental, occupancy or use of any of the facilities under its control within the Redevelopment Area or any portion thereof and said covenant may be enforced by the City or the United States of America or any of their respective agencies. The Developer further agrees that a provision containing the covenants of this paragraph shall be

included in all agreements pertaining to the lease or conveyance or transfer (by any means) of all or a portion of the Redevelopment Project and any of the facilities under its control in the Redevelopment Area. Except as provided in this Section, the Developer shall have no obligation to enforce the covenants made by any transferee or lessee, tenant, occupant or user of any of the facilities within the Redevelopment Area.

7.21 Fair Employment. Without limiting any of the foregoing, the Developer voluntarily agrees to observe the Equal Opportunity and Nondiscrimination Guidelines set forth as Exhibit F, attached hereto and incorporated herein by reference. By execution of this Agreement, the Developer certifies and agrees that it is under no contractual or other disability that would materially impair its ability to observe the Guidelines set forth as Exhibit F, attached hereto and incorporated herein by reference.

7.22 MBE/WBE Compliance. The Developer shall comply with the Mayor's Executive Order #28, as amended, during the design and construction of the Redevelopment Project and with respect to ongoing services provided by third parties to the Developer in connection with the Redevelopment Project.

ARTICLE VIII. REPRESENTATIONS OF THE PARTIES

8.1 Representations of the City. The City hereby represents and warrants that it has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, including without limitation the right, power and authority to issue and sell the TIF Notes, and all of the foregoing have been or will be, upon adoption of ordinances authorizing the issuance of the TIF Notes, duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

8.2 Representations of the Developer. The Developer hereby represents and warrants it has full power to execute and deliver and perform the terms and obligations of this Agreement and all of the foregoing has been duly and validly authorized by all necessary corporate proceedings. This Agreement constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed in their respective names and the City has caused its seal to be affixed thereto, and attested as to the date first above written.

"CITY"

CITY OF ST. LOUIS, MISSOURI

By: Francis G. Slay, Mayor

By: Darlene Green, Comptroller

Approved as to Form:

City Counselor

(SEAL)

Attest:

Parrie May, City Register

"DEVELOPER"

GILDED AGE, L.L.C., a Missouri limited liability company

By: Name: Title:

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

On this day of , 2006, before me appeared Francis G. Slay, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the CITY OF ST. LOUIS, MISSOURI, a political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and

sealed in behalf of said City by authority of its Board of Aldermen, and said individual acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public

My Commission Expires:

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

On this _____ day of _____, 2006, before me appeared Darlene Green, to me personally known, who, being by me duly sworn, did say that she is the Comptroller of the CITY OF ST. LOUIS, MISSOURI, a political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said individual acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public

My Commission Expires:

STATE OF MISSOURI)
) SS.
____ OF _____)

On this _____ day of _____, 2006, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of Gilded Age, L.L.C., a Missouri limited liability company, and that he is authorized to sign the instrument on behalf of said limited liability company by authority of its _____, and acknowledged to me that he executed the within instrument as said company's free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public

My Commission Expires:

**EXHIBIT A
Legal Description of the Redevelopment Area**

Parcel No. 1: A portion of the 15 feet wide East and West alley in City Block No. 1323, as vacated by Ordinance No. 59478 by the City of Saint Louis, Missouri, on July 1, 1985, and being more particularly described as follows: Beginning at the Southwesterly corner of land now or formerly of the Lafayette Park Methodist Church, said corner being distant 216 feet, as measured along the Northerly line of said alley, from the Westerly line of Missouri (60 feet wide) Avenue; thence Southerly along the extension of the Westerly line of Lafayette Park Methodist Church land a distance of 15.00 feet to the Southerly line of said alley; thence Westerly along said Southerly line and Northerly right of way line of Missouri Interstate Highway I-44 a distance of 187 feet, more or less, to a point; thence leaving said Southerly line, along a Northwesterly line and Northeasterly right-of-way line of said I-44 a distance of 18 feet, more or less, to a point on the Northerly line of said alley, said point being 40 feet, more or less, from the Easterly line of Jefferson (120 feet wide) Avenue thence Easterly along said Northerly line a distance of 197 feet, more or less, to the point of beginning.

Parcel No. 2: A lot in City Block No. 1323 of the City of Saint Louis, Missouri, fronting 236 feet on the South line of Lafayette Avenue, by a depth Southwardly along the East line of Jefferson Avenue 145 feet to an alley and a depth Southwardly on the East line of said lot 150 feet to an alley, being bounded on the North by Lafayette Avenue, South by the North line of an alley, West by the East line of Jefferson Avenue, and East by the West line of property now or formerly of Given Campbell.

Street Address: 1700 S. Jefferson (63104)

Parcel No. 1323-00-01200

**EXHIBIT B
TIF Reimbursable Redevelopment Project Costs**

CATEGORY	
(a)	Acquisition Costs (as defined in Section 1.1 of this Agreement).
(b)	Demolition Costs (includes, but is not limited to, demolition of existing buildings and structures or parts thereof).
(c)	Site Preparation and Public Improvements Costs (includes, but is not limited to, site work, street and sidewalk improvements, utility work, resetting of curbs, landscaping and lighting in the right of way).
(d)	Financing Costs (includes, but is not limited to, loan fees, construction period interest, disbursing fees, construction monitoring and inspection fees, lender’s legal fees, loan appraisals, flood certificates, title, recording, disbursing costs, tax credit investor fees and any and all other costs incurred by the Developer in connection with obtaining financing for and a tax credit investor in the Redevelopment Project).
(e)	Environmental Testing, Remediation and/or Abatement Costs (includes, but is not limited to, the testing for and removal and disposal of toxic or hazardous substances or materials).
(f)	Professional Service Costs (includes, but is not limited to, architectural, engineering, surveying, legal, marketing, advertising, financial, planning, or special services).
(g)	TIF Costs & Issuance Costs incurred by the Developer pursuant to Section 2.2(i) – 2.2.(v) of this Agreement.
(h)	Construction of a parking garage, to the extent permitted by the TIF Act.

† Subject to the limitations set forth in **Section 4.2** of this Agreement, provided that such costs shall not exceed the aggregate amount of \$1,900,000 plus Issuance Costs as provided in the Agreement.

**EXHIBIT C
Form of Certificate of Commencement of Construction**

DELIVERED BY

Gilded Age, L.L.C.

The undersigned, Gilded Age, L.L.C. (the “Developer”), pursuant to that certain Redevelopment Agreement dated as of _____, 200__, between the City of St. Louis, Missouri (the “City”) and Developer (the “Agreement”) hereby certifies to the City as follows:

1. All property within the Redevelopment Area necessary for the Redevelopment Project (as legally described on Appendix A attached hereto and by this reference incorporated herein and made a part hereof), has been acquired by Developer in accordance with the Agreement.
2. Developer has entered into an agreement with a contractor or contractors to construct the Redevelopment Project.
3. Developer has obtained all necessary financing to complete the Redevelopment Project.
4. This Certificate of Commencement of Construction is being issued by Developer to the City in accordance with the Agreement to evidence Developer’s satisfaction of all obligations and covenants with respect to commencement of construction of the Redevelopment Project.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this day of _____, 20__.

Gilded Age, L.L.C.

By: _____
Name: _____

Title: _____

**EXHIBIT D
Form of Certificate of
Reimbursable Redevelopment Project Costs**

TO:

City of St. Louis
Office of Comptroller
1200 Market Street, Room 212
St. Louis, Missouri 63103
Attention: Ivy Neyland-Pinkston, Deputy Comptroller

Re: City of St. Louis, Missouri, Union Club Redevelopment Project

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Redevelopment Agreement dated as of _____, 2006 (the "Agreement"), between the City and Gilded Age, L.L.C., a Missouri limited liability company (the "Developer"). In connection with said Agreement, the undersigned hereby states and certifies that:

1. Each item listed on **Schedule 1** hereto is a Reimbursable Redevelopment Project Cost and was incurred in connection with the construction of the Redevelopment Project.
2. These Reimbursable Redevelopment Project Costs have been have been paid by the Developer and are reimbursable under the Note Ordinance and the Agreement.
3. Each item listed on **Schedule 1** has not previously been paid or reimbursed from money derived from the Special Allocation Fund or any money derived from any project fund established pursuant to the Note Ordinance, and no part thereof has been included in any other certificate previously filed with the City.
4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.
5. All necessary permits and approvals required for the portion of the Work for which this certificate relates have been issued and are in full force and effect.
6. All Work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Redevelopment Plan and the Agreement.
7. If any cost item to be reimbursed under this Certificate is deemed not to constitute a "redevelopment project cost" within the meaning of the TIF Act and the Agreement, the Developer shall have the right to substitute other eligible Reimbursable Redevelopment Project Costs for payment hereunder.
8. The costs to be reimbursed under this Certificate constitute advances qualified for Tax-Exempt TIF Notes:
Yes: _____ No: _____
9. The Developer is not in default or breach of any material term or condition of the Agreement beyond the applicable cure period, if any.

Dated this ____ day of _____, _____.

Gilded Age, L.L.C.

By _____
Name: _____
Title: _____

Approved: for payment this ____ day of _____, 20 ____.

CITY OF ST. LOUIS, MISSOURI

By: _____
Comptroller

**Schedule 1
The Developer has incurred the following Reimbursable Redevelopment Project Costs:**

Payee: Amount: Description of Reimbursable Redevelopment Project Costs:

**EXHIBIT E
Form of Certificate of Substantial Completion
CERTIFICATE OF SUBSTANTIAL COMPLETION**

The undersigned, Gilded Age, L.L.C., a Missouri limited liability company (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of _____, 2006, between the City of St. Louis, Missouri (the "City"), and the Developer (the "Agreement"), hereby certifies to the City as follows:

1. That as of _____, _____, the construction of the Redevelopment Project (as that term is defined in the Agreement) has been substantially completed in accordance with the Agreement.
2. That the Work has been substantially completed or funded pursuant to Exhibit B to the Agreement.
3. The Work has been performed in a workmanlike manner and substantially in accordance with the Construction Plans (as those terms are defined in the Agreement).
4. This Certificate of Substantial Completion is accompanied by the project architect's or owner representative's certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as Appendix A and incorporated herein by reference, certifying that the Redevelopment Project has been substantially completed in accordance with the Agreement.
5. Lien waivers for applicable portions of the Work in excess of Five Thousand Dollars (\$5,000) have been obtained.
6. This Certificate of Substantial Completion is being issued by the Developer to the SLDC and the City in accordance with the Agreement to evidence the Developer's satisfaction of all material obligations and covenants with respect to the Redevelopment Project.
7. The acceptance (below) or the failure of the SLDC and the Mayor or his designee to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate to the SLDC and the City (which written objection, if any, must be delivered to the Developer prior to the end of such thirty (30) days) shall evidence the satisfaction of the Developer's agreements and covenants to perform the Work.

Upon such acceptance by the SLDC and the Mayor or his designee, the Developer may record this Certificate in the office of the City's Recorder of Deeds. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being. Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this ____ day of _____, 20__.

GILDED AGE, L.L.C.

By: _____
Name: _____
Title: _____

ACCEPTED:

SLDC

By: _____
Name: _____
Title: _____

CITY OF ST. LOUIS, MISSOURI

By: _____
Mayor

**EXHIBIT F
Equal Opportunity and Nondiscrimination Guidelines**

In any contract for Work in connection with the Redevelopment Project related to any of the Property in the Redevelopment

Area, the Developer (which term shall include the Developer, any transferees, lessees, designees, successors and assigns thereof, including without limitation any entity related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended), its contractors and subcontractors shall comply with all federal, state and local laws, ordinances or regulations governing equal opportunity and nondiscrimination (the "Laws"). Moreover, the Developer shall contractually require its contractors and subcontractors to comply with the Laws.

The Developer and its contractors or subcontractors shall not contract with any party known to have been found in violation of the Laws.

The Developer agrees for itself and its contractors and subcontractors that there shall be covenants to ensure that there shall be no discrimination on the part of the Developer or its contractors and subcontractors upon the basis of race, color, creed, national origin, sex, marital status, age, sexual orientation or physical handicap in the sale, lease, rental, use or occupancy of any of the Property or any improvements constructed or to be constructed on the Property or any part thereof. Such covenants shall run with the land and shall be enforceable by the SLDC, the City and the United States of America, as their interest may appear in the Redevelopment Project.

The parties agree that the provisions of City Ordinance #60275, codified at Chapter 3.90 of the Revised Ordinances of the City of St. Louis, Missouri (the "First Source Jobs Policy"), do not specifically apply to the Developer as a potential recipient of TIF Notes, TIF Bonds and/or TIF Revenues. Nonetheless, the Developer voluntarily agrees to make good faith efforts to observe the provisions of the First Source Jobs Policy related to the negotiation of an employment agreement with the St. Louis Agency on Training and Employment.

**EXHIBIT G
MBE/WBE Subcontractors List**

On the spaces provided below please list all subcontractors and suppliers, including M/WBEs, proposed for utilization on this project. Work to be self-performed by the bidder is to be included.

FIRM NAME	MBE or WBE	BID ITEM(S) OF WORK TO BE PERFORMED	SUBCONTRACT OR SUPPLY CONTRACT AMOUNT

**EXHIBIT H
MBE/WBE Utilization Statement**

Policy: It is the policy of the City of St. Louis that minority and women-owned businesses, as defined in the Mayor's Executive Order of July 24, 1997, as amended, shall have an opportunity to participate in the performance of contracts utilizing City funds, in whole or in part. Consequently, the requirements of the aforementioned Executive Order apply to this contract.

Project and Bid Identification:

Contracting Agency: _____
 Project Name: _____

Letting Number: _____ Date: _____
 Contract MBE/WBE Goal: 25% MBE and 5%WBE Participation _____
 Total Dollar Amount of Prime Contract: \$ _____
 Total Dollar Amount of Proposed MBE: \$ _____ Percent MBE _____
 Total Dollar Amount of Proposed WBE: \$ _____ Percent WBE _____

Obligation: The undersigned certifies that (s)he has read, understands and agrees to be bound by the bid specifications, including the accompanying exhibits and other items and conditions of the request for proposals regarding minority and women business enterprise utilization. The undersigned further certifies that (s)he is legally authorized by the respondent to make the statements and representations in the M/WBE Forms and Exhibits and that said statements and representations are true and correct to the best of his/her knowledge and belief. The undersigned will enter into formal agreements with the minority/women business enterprises listed in the Subcontractor List, which are deemed by the City to be legitimate and responsible. The undersigned understands that if any of the statements and representations are made by the respondent knowing them to be false, or if there is a failure of the successful respondent to implement any of the stated agreements, intentions, objectives, goals and commitments set forth herein without prior approval of the City, then in any such events, the contractor's act or failure to act, as the case may be, shall constitute a material breach of the contract, entitling the City to terminate the contract for default. The right to so terminate shall be in addition to, and not in lieu of, any other rights and remedies the City may have for other defaults under the contract. Additionally, the contractor may be subject to the penalties cited in Section Twelve of the Mayor's Executive Order #28, as amended.

Assurance: I, acting as an officer of the undersigned bidder or joint venture bidders, hereby assure the City that on this project my company will (check one):

- _____ Meet or exceed contract award goals and provide participation as shown above.
- _____ Fail to meet contract award goals but will demonstrate that good faith efforts were made to meet the goals and my company will provide participation as shown above.

Name of Prime Contractor(s): _____

Prime Contractor Authorized Signature _____

Title: _____

Date: _____

Approved: March 22, 2006