

ORDINANCE #67967
Board Bill No. 520

An ordinance recommended by the Board of Public Service to vacate public surface rights for vehicle, equestrian and pedestrian travel in 1. A 25' wide north/south alley in City block 1740 bounded by Salisbury, N. Florissant, Mallinckrodt and 22nd. 2. Destrehan from 23rd to 22nd. 3. Destrehan from N. Florissant west to alley in City Block 1741. 4. Destrehan from 22nd east to alley in City Block 1741 in the City of St. Louis, Missouri, as hereinafter described, in accordance with Charter authority, and in conformity with Section 14 of Article XXI of the Charter and imposing certain conditions on such vacation.

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

SECTION ONE: The public surface rights of vehicle, equestrian and pedestrian travel, between the rights-of-way of:

A tract of land being a portion of an alley (25' W.) located in Township 45 North, Range 7 east, City of St. Louis, Missouri, City block 1740 and being more particularly described as follows:

Commencing at the intersection of the west right-of-way line of N. Florissant (60'W.) Avenue and the north right-of-way line of Mallinckrodt (60'W.) Street; thence along the north right-of-way line of Mallinckrodt (60'W.) Street south 68 degrees, 35 minutes, 49 seconds west a distance of 130.20 feet to a point in the east right-of-way line of an alley (25'W.) said point being the Point of Beginning of the herein described tract; thence continuing along the north right-of-way line of Mallinckrodt (60'W.) Street south 68 degrees, 35 minutes, 49 seconds west a distance of 25.00 feet to a point; thence leaving said north right-of-way line of Mallinckrodt (60'W) Street and along the west line of an alley (25'W.) north 21 degrees, 12 minutes, 04 seconds west a distance of 119.83 feet to a point in the south line of an alley (15'W.); thence along said alley (15'W) north 68 degrees, 36 minutes, 36 seconds east a distance of 25.00 feet to a point in the east line of the aforementioned alley (25'W.); thence leaving said alley (15'W) south 21 degrees, 12 minutes, 04 seconds east a distance of 119.82 feet to a point in the north right-of-way line of Mallinckrodt (60'W.) Street said point being the Point of Beginning with said tract containing 2,995 square feet, or 0.068 acres, and being subject to deeds, easements, and restrictions of record.

A tract of land being a portion of Destrehan (Variable Width) Street located in Township 45 North, Range 7 east, City of St. Louis, Missouri, City Block 1742 and being more particularly described as follows:

Beginning at the intersection of the east right-of-way line of 23rd (50'W) Street and the north right-of-way line of Palm (100W) Street; thence along the east right-of-way line of said 23rd (50'W) Street north 21 degrees, 02 minutes, 30 seconds west a distance of 45.63 feet to a point; thence leaving said east right-of-way line of 23rd (50'W) Street and along the north right-of-way line of Destrehan (Variable Width) Street north 68 degrees, 35 minutes, 49 seconds east a distance of 51.35 feet to a point; thence continuing along the north right-of-way line of said Destrehan (Variable Width) Street north 47 degrees, 58 minutes, 34 seconds east a distance of 32.30 feet to a point; thence continuing along said north right-of-way line of Destrehan (Variable Width) Street north 59 degrees, 49 minutes, 43 seconds east a distance of 49.44 feet to a point in the east right-of-way line of 22nd (50'W) Street; thence leaving said north right-of-way line of Destrehan (Variable Width) Street and along the west right-of-way line of said 22nd (50'W.) Street south 21 degrees, 10 minutes, 25 seconds east a distance of 59.85 feet to a point; thence leaving said west right-of-way line of said 22nd (50'W) Street and along the south right-of-way line of Destrehan (Variable Width) Street south 58 degrees, 58 minutes, 06 seconds west a distance of 33.34 feet to a point; thence continuing along said south right-of-way line of Destrehan (Variable Width) Street south 47 degrees, 38 minutes, 23 seconds west a distance of 68.04 feet to a point in the north right-of-way line of Palm (100'W) Street; thence along the north right-of-way line of Palm (100'W) Street north 74 degrees , 54 minutes, 23 seconds west a distance of 42.40 feet to the point of beginning and containing 8,059 square feet, or 0.185 acres and being subject to deeds, easements and restrictions of record.

A tract of land being a portion of Destrehan (Variable Width) Street located in Township 45 North, Range 7 east, City of St. Louis, Missouri, City Block 1741 and being more particularly described as follows:

Commencing at the intersection of the west right-of-way line of N. Florissant and the north right-of-way line of Palm (100'w) Street; thence along the west right-of-way line of N. Florissant (60'W) Avenue north 21 degrees, 12 minutes, 04 seconds west a distance of 362.29 feet to the Point of Beginning of the described tract; thence leaving said west right-of-way line of N. Florissant (60'W) Avenue, and along the south right-of-way line of Destrehan (Variable width) Street along a broken back curve to the left with the following curve elements: a radius of 300.84 feet, an arc length of 16.55 feet, a chord bearing of south

88 degrees, 49 minutes, 26 seconds west and a chord distance of 16.55 feet to point; thence continuing along said south right-of-way line of Destrehan (Variable Width) Street south 68 degrees, 35 minutes, 49 seconds west a distance of 114.65 feet to a point being the intersection of the south right-of-way line of Destrehan (Variable Width) Street and the east line of an alley (25°W); thence along the east line of said alley (25°W) north 21 degrees, 12 minutes, 04 seconds west a distance of 83.79 feet to a point; thence leaving said east right-of-way line of an alley (25°W) and along the north right-of-way line of Destrehan (Variable Width) Street north 68 degrees, 35 minutes, 49 seconds east a distance of 110.00 feet to a point; thence continuing along said north right-of-way line of Destrehan (Variable Width) Street north 42 degrees, 37 minutes, 44 seconds east a distance of 22.51 feet to a point in the west right-of-way line of N. Florissant (60°W) Avenue; thence along the west right-of-way line of N. Florissant (60°W) Avenue south 21 degrees, 12 minutes, 04 seconds east a distance of 99.37 feet to the Point of Beginning and containing 11,054 square feet, or 0.254 acres, and being subject to deeds, easements and restrictions of record.

A tract of land being a portion of Destrehan (Variable Width) Street located in Township 45 North, Range 7 east, City of St. Louis, Missouri, City Block 1741 and being more particularly described as follows:

Commencing at the intersection of the east right-of-way line of 22nd (50°W) Street and the north right-of-way line of Palm (100°W) Street; thence along the east right-of-way line of 22nd (50°W) Street north 21 degrees, 10 minutes, 25 seconds west a distance of 144.18 feet to the Point of Beginning of the herein described tract; thence along the east right-of-way line of said 22nd (50°W) Street north 21 degrees, 10 minutes, 25 seconds west a distance of 81.56 feet to a point; thence leaving the said east right-of-way line of 22nd (50°W) Street and along said north right-of-way line of Destrehan (Variable Width) Street north 68 degrees, 35 minutes, 49 seconds east a distance of 127.43 feet to a point; thence continuing along said north right-of-way line of Destrehan (Variable Width) Street along a curve to the left having the following curve elements: a radius of 360.00 feet, and arc length of 7.82 feet, a chord bearing of north 61 degrees, 02 minutes, 24 seconds east and a chord distance of 7.82 feet to a point being in the west line of an alley (25°W); thence leaving said north right-of-way line of Destrehan (Variable Width) Street and along the west right-of-way line of said alley (25°W) south 21 degrees, 12 minutes, 04 seconds east a distance of 82.59 feet to a point in the south right-of-way line of Destrehan (Variable Width) Street; thence along said south right-of-way line of Destrehan (Variable Width) Street south 68 degrees, 35 minutes, 49 seconds west a distance 135.21 feet to the point of beginning and containing 11,030 square feet, or 0.253 acres, and being subject to deeds, easements and restrictions of record.

are, upon the conditions hereinafter set out, vacated.

SECTION TWO: Petitioners are Better Living Communities and Chet Partnership. Vacated areas will be used for residential and commercial development.

SECTION THREE: All rights of the public in the land bearing rights-of-way traversed by the foregoing conditionally vacated streets and alley reserved to the City of St. Louis for the public including present and future uses of utilities, governmental service entities and franchise holders, except such rights as are specifically abandoned or released herein.

SECTION FOUR: The owners of the land may, at their election and expense remove the surface pavement of said so vacated streets and alley provided however, all utilities within the rights-of-way shall not be disturbed or impaired and such work shall be accomplished upon proper City permits.

SECTION FIVE: The City, utilities, governmental service entities and franchise holders shall have the right and access to go upon the land and occupation hereof within the rights-of-way for purposes associated with the maintenance, construction or planning of existing or future facilities, being careful not to disrupt or disturb the owners interests more than is reasonably required.

SECTION SIX: The owner(s) shall not place any improvement upon, over or in the area(s) vacated without: 1) lawful permit from the Building Division or Authorized City agency as governed by the Board of Public Service; 2) obtaining written consent of the utilities, governmental service entities and franchise holders, present or future. The written consent with the terms and conditions thereof shall be filed in writing with the Board of Public Service by each of the above agencies as needed and approved by such Board prior to construction.

SECTION SEVEN: The owners may secure the removal of all or any part of the facilities of a utility, governmental service entity or franchise holder by agreement in writing with such utilities, governmental entity or franchise holder, filed with the Board of Public Service prior to the undertaking of such removal.

SECTION EIGHT: In the event that granite curbing or cobblestones are removed within the vacated area, the Department of Streets of the City of St. Louis must be notified. Owner(s) must have curbing cobblestones returned to the Department of Streets in good condition.

SECTION NINE: This ordinance shall be ineffective unless within three hundred sixty (360) days after its approval, or such longer time as is fixed by the Board of Public Service not to exceed three (3) days prior to the affidavit submittal date as specified in the last section of this ordinance, the owner(s) of the area to be vacated must fulfill the following monetary requirements, if applicable, as specified by the City of St. Louis Agencies listed below. All monies received will be deposited by these agencies with the Comptroller of the City of St. Louis.

- 1) CITY WATER DIVISION to cover the full expenses of removal and/or relocation of Water facilities, if any.
- 2) CITY TRAFFIC AND TRANSPORTATION DIVISION to cover the full expense of removal, relocation and/or purchase of all lighting facilities, if any. All street signs must be returned.
- 3) CITY STREET DEPARTMENT to cover the full expenses required for the adjustments of the City's alley(s), sidewalk(s) and street(s) as affected by the vacated area(s) as specified in Sections Two and Eight of the Ordinance.

SECTION TEN: An affidavit stating that all of the conditions be submitted to the Director of Streets for review of compliance with conditions 365 days (1 year) from the date of the signing and approval of this ordinance. Once the Director of Streets has verified compliance, the affidavit will be forwarded to the Board of Public Service for acceptance. If this affidavit is not submitted within the prescribed time the ordinance will be null and void.

Approved: March 31, 2008

**ORDINANCE #67968
Board Bill No. 524
Committee Substitute**

AN ORDINANCE AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ST. LOUIS AND SMI-NSG, LLC IN CONNECTION WITH THE DEVELOPMENT OF A GROCERY STORE WITHIN THE FIRST FLOOR OF THE PUBLIC PARKING GARAGE AT OLIVE STREET AND NORTH NINTH STREET IN DOWNTOWN ST. LOUIS; PRESCRIBING THE FORM AND DETAILS OF SAID AGREEMENT; AUTHORIZING OTHER RELATED ACTIONS; AND CONTAINING A SEVERABILITY CLAUSE.

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

SECTION ONE. 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 Development Agreement by and among the City, the MDFB and SMI-NSG, LLC 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 Development 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 TWO. 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 THREE. 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 FOUR. 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.

**EXHIBIT A
DEVELOPMENT AGREEMENT
DEVELOPMENT AGREEMENT
Among the**

CITY OF ST. LOUIS, MISSOURI
And
MISSOURI DEVELOPMENT FINANCE BOARD
And
SMI-NSG, LLC

Dated as of

_____, 2008

SCHNUCKS NINTH STREET GARAGE DEVELOPMENT PROJECT

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “*Agreement*”) is made and entered into as of this ____ day of _____, 2008, 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, the Missouri Development Finance Board, a body corporate and politic of the State of Missouri (the “*MDFB*”), and SMI-NSG, LLC (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

WITNESSETH, THAT:

WHEREAS, by Ordinance No. 63073, the Board of Aldermen found the property located in an area defined as the Syndicate Trust Building Area (the “Original Area”) to be a “blighted area” as set forth in Section 99.300 to 99.715 of the Revised Statutes of Missouri (2000), as amended, and approved a blighting study and plan for development, and;

WHEREAS, by Ordinance No. 65445, the Board of Aldermen amended Ordinance No. 63073, redefined the Original Area as the Syndicate/Century Area (the “Area”), affirmed the blighting of the Area, authorized the demolition of the Century Building to provide for a public parking garage, and also approved an amended blighting study and plan for development, and;

WHEREAS, in partial response to the plan for development, the MDFB acquired certain real property located within the Area at the northwest corner of the intersection of Olive Street and North Ninth Street in downtown St. Louis, and constructed and operates a public parking garage (the “Ninth Street Garage”) and certain space on the first floor of approximately 20,800 square feet designed to be leased to a commercial tenant with public sidewalks and docks and access to common area (the “Property”), and;

WHEREAS, the MDFB and Developer have entered into a Lease Agreement pursuant to which the Developer leases the Property from MDFB allowing the Developer to construct the Improvements suitable for use by the Developer for operation as a full service grocery store which contains approximately 20,000 square feet of floor area and providing for the care, maintenance, repair and cleaning of the public sidewalks and permitting Developer’s customers, contractors, agents and invitees free parking for up to one (1) hour from 9:00 a.m. to 5:00 p.m. Monday through Friday and up to two (2) hours at all other times while they conduct business (the “Development Project”) in order to complete the Ninth Street Garage, and;

WHEREAS, the City, MDFB and the Developer anticipate that the Development Project will provide significant benefits

to the City and the State of Missouri by (1) stimulating construction and permanent employment opportunities and increasing demand for services, (2) generating significant retail sales tax and other tax revenues for the City, the State and other taxing jurisdictions, (3) continuing the process of eliminating blighted conditions as it completes the public garage with its public sidewalks and other improvements, (4) transforming an underperforming area into a vibrant residential, retail and commercial area, (5) enhancing the public, health, safety, and welfare of the community by curing blighting conditions and encouraging other improvements necessary to insure stability and encourages existing and future redevelopment, (6) enhancing the tax base as it induces development and redevelopment to the highest and best uses benefiting taxing districts and encouraging private investment, (7) increasing property values, (8) providing businesses and residents in the downtown area retail shopping opportunities with subsidized parking not currently available within the area served by the full service grocery store, and (9) contributing to the cohesive redevelopment of downtown St. Louis, and;

WHEREAS, the City desires to use its tax revenues in furtherance of the plan for development to provide for incentives at the Ninth Street Garage, and

WHEREAS, the City, MDFB and the Developer desire to enter into this Agreement pursuant to Section 70.210 et seq. of the Revised Statutes of Missouri (2000), as amended, and which Agreement provides that the MDFB has entered into the Lease Agreement with the Developer and provides that the Developer will agree to construct the Improvements and open the Development Project and provides that the City will make the Available Portion of the Municipal Revenues available to the MDFB and provides that the MDFB agrees to assign its rights under this Agreement to the Developer to reimburse the Developer in installments plus interest for a portion of the costs of the Improvements, all as more fully provided herein, and;

WHEREAS, the Developer has represented and warranted to the MDFB that but for the assignment of the City's incentives, as provided herein, the construction and opening of the Development Project would not be possible and the Developer would not proceed, and;

WHEREAS, on _____, 2008, the Board of Aldermen adopted Ordinance No. _____ [Board Bill No. ____] authorizing the City to enter into this Agreement with Developer, and;

WHEREAS, the City has determined that the acceptance of the Development Project and the fulfillment generally of this Agreement are in the best interests of the City, and the health, safety and welfare of its residents.

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:

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

"Available Portion of Municipal Revenues" means not to exceed fifty percent (50%) of the Municipal Revenues.

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

"Calculation period" means initially, the period from the Substantial Completion Date to the last day of the calendar quarter in which the Substantial Completion Date occurs, and thereafter, each calendar quarter.

"Certificate of Commencement of Construction" means a document substantially in the form of **Exhibit D**, 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 Development Project.

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

"Certificate of Substantial Completion" means a document substantially in the form of **Exhibit F**, 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 Development Project in accordance with 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.

"Commencement Date" means the effective date of the Ordinance approving this Development Agreement.

“*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.

“*Costs Incurred*” means payments in connection with the Development Project owed to third parties with no relationship to the Developer nor any member, officer, stockholder nor employee of the Developer.

“*Developer*” means SMI-NSG, LLC, a limited liability company duly organized and existing under the laws of the State of Missouri, or its permitted successors or assigns in interest.

“*Designee*” means Schnucks Markets, Inc., a Missouri corporation.

“*Development Project*” means a full service grocery store with retail area of approximately 20,000 square feet.

“*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 Development Project and consistent with this Agreement.

“*Improvements*” means those listed on **Exhibit A**.

“*Lease Agreement*” means that certain Lease dated _____ between Developer and MDFB.

“*Leasehold Cost*” means the consideration paid by Developer to a third party for rent until this Agreement is terminated.

“*Maturity Date*” means the date that is twenty three (23) years after the Commencement Date.

“*Mayor*” means Mayor of the City of St. Louis.

“*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.

“*MDFB*” means the Missouri Development Finance Board.

“*Municipal Revenue*” means the equivalent of the following revenues of the City generated by economic activities at, on or about the Development Project (a) the general municipal sales tax of three-eighths percent (0.375%) levied pursuant to Ordinance No. 62884, or any successor thereto; (b) the general municipal sales tax of one percent (1.0%) levied pursuant to Ordinance No. 55497, as amended by Ordinance Nos. 57179 and 57979, or any successor thereto; (c) the capital improvements sales tax of one half percent (0.5%) levied pursuant to Ordinance No. 62885, or any successor thereto; (d) the transportation sales tax of one half percent (.5%) levied pursuant to Ordinance No. 56553 or any successor thereto; (e) the Metro Parks District Tax of one-tenth percent (0.1%) pursuant to Ordinance No. 64994, or any successor thereto; (f) the Parks and Recreation tax of one-eighth percent (0.125%) pursuant to 67195, or any successor thereto; all totaling two and six tenths percent (2.6%); (g) the Earnings Tax of one percent (1%) levied pursuant to Ordinance No. 47063 or any successor thereto; (h) the Payroll Expense Tax of one-half percent (.5%) levied pursuant to Ordinance No. 60737, or any successor thereto; and (i) the Restaurant Gross Receipts Tax of one and one-half percent (1.5%) or any successor thereto.

“*Ninth Street Garage*” means certain property at the northwest corner of the intersection of Olive Street and North Ninth Street in downtown St. Louis owned by the MDFB.

“*Payment Date*” means the first day of each calendar quarter.

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

“*Property*” means a portion of the first floor of the public parking garage containing approximately 20,000 square feet of floor area located at the intersection of Olive Street and North Ninth Street to be used by the Developer for the operation of a full-service grocery store.

“*Reimbursable Development Project Costs*” means those Development 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; provided in no event shall same exceed \$1,750,000.

“*Related Party*” means any party 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

“*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 Schnucks Ninth Street Garage special allocation fund, created by this Agreement by the Comptroller for the Development Project into which Municipal Revenues are from time to time deposited in accordance with this Agreement.

“*State*” means State of Missouri.

“*Substantial Completion Date*” means the date that the City delivers or is deemed to have delivered the Certificate of Substantial Completion to Developer as provided in **Section 3.6**.

“*Verified Total Project Costs*” means the sum total of all reasonable or necessary Costs Incurred by Developer and/or any Related Party in connection with the Development Project and/or the Work including, but not limited to, the aggregate site preparation, public improvements and construction costs associated with the Development Project (as more particularly described in items (a) and (b) on **Exhibit B**), the aggregate soft costs associated with the Development Project (as more particularly described in items (d) and (e) on **Exhibit B**), the aggregate financing costs associated with the Development Project (as more particularly described in item (c) on **Exhibit B**), all pre-opening and opening costs of the Development Project (as more particularly described in item (g) on **Exhibit B**) and all transaction costs related to the foregoing, all of which determined without regard to whether such costs qualify as Reimbursable Development Project Costs, as limited by other paragraphs in this **Section 1.1**. In no event shall Verified Total Project Costs include any Leasehold Costs.

“*Work*” means all work necessary to prepare the Property and to construct or cause the construction of the Improvements and completion of the Development Project described this Agreement, including but not limited to: (1) site preparation; (2) construction of the Improvements and opening of the Development Project; and (3) all other work described in the Agreement or reasonably necessary to effectuate the intent of this Agreement.

1.2 Rules of Construction. For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires:

- 1.2.1** Words of masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.
- 1.2.2** Words importing the singular number shall include the plural and vice versa and words importing person shall include firms, associations and limited liability companies, including public bodies. The headings and captions herein are not a part of this document.
- 1.2.3** Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by generally accepted principles of accounting.
- 1.2.4** Whenever an item or items are listed after the word “including,” such listing is not intended to be an exhaustive listing that excludes items not listed.

ARTICLE II. ACCEPTANCE OF PROPOSAL

2.1 Developer Designation. The City hereby acknowledges the Lease Agreement and selects the Developer to perform or cause the performance of the Work for this Agreement and for all Governmental Approvals.

2.2 Developer to Advance Costs. The Developer agrees to advance all costs for Improvements as necessary to acquire the Lease Agreement within the Property and to complete the Work, all subject to the Developer’s right to abandon the Development 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) Application Fee;
- (ii) the City acknowledges that, prior to the execution of this Agreement, the Developer paid the sum of Five Thousand Five Hundred Twenty-Five Dollars and no/100 (\$5,525.00) (which sum represents 0.3% of the maximum amount of Reimbursable Development Project Costs), 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 Development Project;
- (iii) the Developer shall, within ten (10) days after the date of execution of this Agreement, pay the sum of Five Thousand Five Hundred Twenty-Five Dollars and no/100 (\$5,525.00) (which sum represents 0.3% of the maximum

amount of Reimbursable Project Costs), 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 Development Project;

(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 Development Proposal, the review and adoption of the Development Project and the negotiation, execution and implementation of the Development Agreement, which amount shall be paid as follows: (i) all such costs incurred through the date of execution of the Development Agreement shall be paid within ten (10) days after the execution of the Development Agreement, and (ii) all such costs incurred after the date of execution of the Development Agreement and prior to the date upon which the City receives from Developer a Certificate of Reimbursable Development Project Costs; and

(v) the Developer shall pay to the Comptroller of the City and the St. Louis Development Corporation (which monies shall be paid one half to the Comptroller and one half to the St. Louis Development Corporation), 0.1% of the outstanding balance due on each Payment Date, plus any accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion of the fees and expenses incurred by the City that have not otherwise been reimbursed to the City.

ARTICLE III. CONSTRUCTION AND OPERATION OF THE DEVELOPMENT PROJECT

3.1 Leasehold of Property. Developer represents that, as of the date of this Agreement, Developer has entered into the Lease Agreement with MDFB for the Property.

3.2 Developer to Construct the Work. The Developer shall commence or cause the commencement of the construction of the Work within one hundred eighty (180) 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. The Developer shall substantially complete or cause the Work to be substantially complete not later than December 31, 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 December 31, 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.

3.3 Developer to Open the Development Project as a Full Service Grocery Store. Developer shall open the Development Project as a full service grocery store, but continuing operation of same is at Developer's sole and absolute discretion.

3.4 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.

3.5 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 3.2**, 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, 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 3.7**, "material changes" shall mean (i) any change that could reasonably be expected to result in a decrease in the aggregate amount of Municipal Revenues generated within the Development Project to an amount less than 90% of the aggregate amount of Municipal Revenues; or (ii) any change that would reduce the final square footage of commercial space by more than ten percent (10%) of the estimated square footage of commercial uses as set forth in this Agreement and the Construction Plans.

3.6 Certificate of Commencement of Construction. The Developer shall furnish to the SLDC, with a copy to the Comptroller and the MDFB, a Certificate of Commencement of Construction, which certificate shall be submitted for the Development Project in accordance with the schedule set forth in **Section 3.2** of this Agreement and in the form of **Exhibit D** 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.

3.7 Certificate of Substantial Completion. Promptly after substantial completion of the Work, the Developer shall furnish to the City and the SLDC, with a copy to the MDFB, 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 provides 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 and the thirty (30) day period shall begin anew. Upon acceptance of the Certificate of Substantial Completion by the Mayor or his designee and the SLDC for the Development 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 F**, attached hereto and incorporated by referenced herein.

3.8 Property Tax Exemption. The Ninth Street Garage is currently exempt from all real property taxes and it is anticipated that it shall remain so after the Development Project is complete. If the Ninth Street Garage, or any interest therein, is subjected to real property taxation during the period set forth in **Section 5.3.4**, then the amount of the "pay as you go" payments to be made under this Agreement shall be the sum (a) of the amount to be funded from the Available Portion of Municipal Revenue pursuant to **Section 4.1** of this Agreement plus (b) one-hundred percent of any such real property taxes imposed. The City covenants and agrees that as long as the Ninth Street Garage is owned by the MDFB, the Development Project will not be subject to real property taxation.

ARTICLE IV. REIMBURSEMENT OF DEVELOPER COSTS

4.1 City's Obligation to Reimburse MDFB. Subject to the terms of this Agreement, the City agrees to reimburse the MDFB for verified Reimbursable Development Project Costs in an amount not to exceed One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000), plus interest as provided in **Section 5.2** of this Agreement, subject to the limitations of this Article IV of this Agreement.

4.2 Reimbursements Limited to Reimbursable Development Project Costs; Developer's Right to Substitute. Nothing in this Agreement shall obligate the City to reimburse the MDFB for any cost that is not included on **Exhibit B**. The Developer shall provide to the City (a) itemized invoices, receipts or other information evidencing such costs; and (b) a Certificate of Reimbursable Development Project Costs constituting certification by the Developer that such cost is eligible for reimbursement. Within thirty (30) days of the City's receipt from the Developer of a Certificate of Reimbursable Development Project Costs, the City shall review and act upon such Certificate of Reimbursable Development 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 Development Project Costs which are eligible for reimbursement in accordance with this Agreement. The Developer shall be entitled to reimbursement for Development 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 and without regard to the maximum amounts set forth for each category provided that the total aggregate amounts reimbursed do not exceed the amount established in **Section 4.1**; *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 Development Project Cost is not a "Development project cost," the City shall so notify the Developer in writing within the thirty (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 Development Project Costs as Reimbursable Development Project Costs with a supplemental application for payment, and the thirty (30) day period shall begin anew. If the City fails to approve or disapprove any Certificate of Reimbursable Development Project Costs within thirty (30) days after receipt thereof, the Certificate of Reimbursable Development Project Costs shall be deemed approved.

4.3 Cost Savings and Excess Profits. Within ninety (90) days after the submission of the Certificate of Substantial Completion by Developer in accordance with **Section 3.7** of this Agreement, Developer also shall furnish to the City with a copy to the MDFB for the City's review and approval, a statement of Verified Total Project Costs, with evidence of billings and payments for each expenditure, including itemized invoices, receipts, and pay applications or other evidence of payment as appropriate for the type of cost.

Developer shall not include developer fees nor 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 Developer, the amount of such costs shall not exceed the amount set forth in the **Exhibit B** for such services. Moreover, if any of the owners, officers, principals or members of the construction contractor for the Development 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.

If the Verified Total Project Costs of the Development Project are less than \$7,418,600 (the "Budgeted Amount"), then the

maximum Reimbursable Development Project Costs shall be reduced by Seventy-Five Percent (75%) of the amount by which Verified Total Project Costs are less than the Budgeted Amount, unless said amount is less than Fifty Thousand Dollars, in which case the adjustment under this Section 4.3 shall be deemed zero dollars (\$0).

4.4 City's Obligations Limited to Special Allocation Fund. Notwithstanding any other term or provision of this Agreement, the MDFB and Developer agrees that the Reimbursable Development Project Costs are payable only from the Special Allocation Fund and from no other source. The City has not pledged its full faith and credit relative to the City's obligation to pay any Reimbursable Development Project Costs. The City's obligations shall be subject to annual appropriation the failure of which shall cause no liability to the City and shall not constitute debt to the City within any constitutional or statutory meaning of the word "debt."

4.5 No Tax Increment Financing. Notwithstanding anything to the contrary contained herein, the City agrees that, during the term of this Agreement, neither the Property nor the Development Project (nor any portion thereof) shall be included within a tax increment financing district, whether now or hereafter proposed with respect to the Property or the Development Project.

ARTICLE V. CITY'S REIMBURSEMENT

5.1 Conditions Precedent. No reimbursement shall be made to the MDFB until such time as the City has (i) received a Certificate of Substantial Completion in accordance with the procedures set forth in **Section 3.7** of this Agreement; (ii) approved a Certificate of Reimbursable Development Project Costs in substantially the form of **Exhibit E**, attached hereto and incorporated herein by reference, in accordance with the procedures set forth in **Section 4.2** of this Agreement; (iii) received the full payment of all advances required to be paid under **Section 2.2** of this Agreement; and (iv) received such other documentation as the City shall reasonably require of Developer.

5.2 Installment Payments by City. Under **Section 5.3.2**, the City agrees to reimburse the MDFB for Reimbursable Development Project Costs together with interest thereon solely from the Special Allocation Fund up to the maximum amount established in **Section 4.1** of this Agreement, subject to the limitations of **Article IV** of this Agreement.

5.3 Terms.

5.3.1 Interest will accrue on all Reimbursable Development Project Costs at a fixed interest rate of 7.0% per annum, calculated on the basis of a 360 day year consisting of 12-30 day months. Interest will commence accruing on the date as of which a Certificate of Reimbursable Development Project Cost is accepted (or deemed accepted) by the City.

5.3.2 Beginning on the Substantial Completion Date and on each Payment Date and continuing until the City's obligations hereunder expire or terminate as provided in **Section 5.3.4**, the City will pay 100% of the Available Portion of the Municipal Revenues until the City has reimbursed the MDFB in an amount not to exceed the lesser of (A) 100% of the total Reimbursable Redevelopment Project Costs as set forth in **Exhibit B** as modified by **Section 4.3**, plus interest thereon as provided in **Section 5.3.1**, or (B) \$1,750,000 plus interest as provided in **Section 5.3.1**.

5.3.3 All payments by the City pursuant to this Section shall be applied first to the payments described in **Section 2.2(v)**, then to accrued interest and then to Reimbursable Development Project Costs.

5.3.4 The City's obligations hereunder shall expire upon the earlier of (1) twenty-three (23) years after the Commencement Date, or (2) upon payment in full of the amount payable pursuant to **Section 5.3.2**. The City's obligations hereunder shall terminate upon the occurrence of an event of termination.

ARTICLE VI. SPECIAL ALLOCATION FUND; COLLECTION AND USE OF MUNICIPAL 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 and to deposit into the Special Allocation Fund, subject to annual appropriation by the Board of Aldermen, all of the Available Portion of the Municipal Revenue pursuant to this Agreement promptly upon receipt thereof.

6.2 Reports by the Developer. The Developer shall provide to the Comptroller of the City with a copy to the MDFB the following information:

6.2.1 Each "seller's" federal and state tax identification numbers and sales tax identification numbers.

6.2.2 Within thirty (30) days of the end of each calendar quarter, copies of a completed Quarterly Information Form, in the form attached hereto as **Exhibit C**, for each "seller's" business located within the Property along with copies of all sales tax returns filed with the Missouri Department of Revenue (on Form 53-S.F. Missouri Department of Revenue or such successor form) with respect to the sales taxes originating from businesses located within the Property for such quarter. In the event that a "seller" has multiple business operations within

the State, such "seller" shall file separate sales tax returns for the sales taxes originating from the business located within the Property.

6.3 Annual Appropriation of Available Portion of Municipal Revenues. The City hereby agrees for the term of this Agreement to apply the Available Portion of the Municipal Revenues and any taxes, fees or assessments subsequently enacted and imposed in substitution therefor and allocable to the Special Allocation Fund under this Agreement to the City's obligations under **Article V** of this Agreement.

Upon the payment in full of the City's obligations, payment in full of the fees and expenses of the Comptroller and the SLDC, and payment in full of any other amounts required to be paid, all amounts remaining on deposit in the Special Allocation shall annually be declared as surplus.

If monies available in Special Allocation Fund are insufficient to reimburse the City or the MDFB on any Payment Date as provided herein, then the unpaid portion shall be carried forward to the next Payment Date, with interest thereon.

The City agrees that it will comply with its Charter, Article XVI, Section 3 for each fiscal year that the City's obligations are outstanding and the City will request an appropriation of all Municipal Revenues on deposit in the Special Allocation Fund for application to the installment payments required by **Section 5.2** hereof.

6.4 Cooperation in Determining Available Revenues. The City and the Developer agree to cooperate and take all reasonable actions necessary to cause the Available Portion of the Municipal 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 Revenues. The Developer shall use reasonable efforts to cause any purchaser or transferee of the Lease Agreement or of the Development Project or any portion thereof to pay the Municipal Revenues and to 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 City is obligated to reimburse the MDFB for Reimbursable Development Project Costs, the Developer shall cause such obligations to be included in any contract or lease or sublease, which obligations 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 Lease Agreement or Development Project or any interest therein as permitted by **Section 7.3.3** 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 Lease Agreement or Development Project or any interest therein and shall identify the Lease Agreement or Development Project or any interest therein 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 lease or transfer of any parking space(s) 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 with a copy to the MDFB, abandon the Development Project and terminate this Agreement and the Developer's obligations hereunder if the Developer determines, in its sole discretion, that the Development Project is no longer economically feasible. Upon such termination, the City shall have no obligation to reimburse the MDFB 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 eighty (180) days after 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 3.7** of this Agreement and the schedule set forth in **Section 3.2** of this Agreement. Upon such termination, the City shall have no further obligation to reimburse the MDFB 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 MDFB, Developer, Designee and City's Relationship. In consideration of Developer entering into the Lease Agreement and agreeing to perform all obligations under this Agreement including **Section 2.2** above, MDFB hereby irrevocably assigns to Developer any and all rights to receive any reimbursement from the City hereunder for Reimbursable Development Project Costs paid or incurred by Developer. Further, in consideration of certain other covenants and agreements by and between Developer and Designee, Developer hereby irrevocably directs the Comptroller to pay all amounts due Developer hereunder to Designee. Notwithstanding anything to the contrary herein, the MDFB shall have no obligation to perform any of Developer's obligations hereunder, and

the City shall have no rights or obligations under the Lease Agreement. Finally, the City hereby consents and acknowledges all of the above in this **Section 7.3.2**.

7.3.3 Assignment or Sale. Without limiting the generality of the foregoing, all or any part of the Lease Agreement or Development Project 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 development of the Development Project, whereupon the party disposing of its interest in the Lease Agreement or Development Project or any interest therein or assigning its interest under this Agreement shall be thereafter released from further obligation under this Agreement (although any such Lease Agreement or Development Project or any interest therein 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 Development Project, the Lease Agreement or Development Project or interest therein 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. 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 Lease Agreement or Development Project or any interest therein 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 Development 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 transfer the Lease Agreement or Development Project or any interest therein or to assign the Developer's rights, duties and obligations under this Agreement to any Related Party; (c) the right of the Developer to sell, lease or transfer any parking space(s) in the ordinary course of business; provided that in each such event (i) the Developer named herein shall remain liable hereunder for the substantial completion of the Development 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 Development Project and (ii) the Developer provides to the City fifteen (15) days' advance written notice, which may be waived by the City's Mayor, of the assignment or transfer (other than of the sale or lease of any parking spaces in the ordinary course of business which shall require no notice except as required by **Section 4.3**).

7.4 Remedies. Except as otherwise provided in this Agreement and subject to the rights of termination, in the event of any default in or breach of any term or conditions of this Agreement by any 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 3.5**), 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 Development Project 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:

SMI-NSG, LLC

c/o Schnuck Markets, Inc.
11420 Lackland Road
St. Louis, MO 63146
Attention: Real Estate

With a copy to:

Greensfelder, Hemker, and Gale
10 South Broadway, Suite 2000
St. Louis, Missouri 63102
314-241-3237 fax
Attention: Vincent Garozzo

(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 Comptroller
Facsimile: 314-588-0550

With copies to:

City of St. Louis
City Counselor
City Hall
1200 Market, Room 314
St. Louis, Missouri 63102
Attention: Steven J. Kovac, Deputy City Counselor
Facsimile: 314-622-4956

and

Armstrong Teasdale LLP
One Metropolitan Square, Suite 2600
St. Louis, Missouri 63102
Attention: Thomas J. Ray
Facsimile: 314-621-5065

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

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

(iv) In the case of the MDFB, to:

Missouri Development Finance Board
Governor Office Building
200 Madison Ste 1000
Jefferson City, Missouri 65102
Attention: Executive Director

With a copy to:

Gilmore & Bell, P.C.
2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108
Attention: David W. Queen, Esq.

7.7 Conflict of Interest. No member of the Board of Aldermen 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 Development Project, 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 Development Project. In the event of total destruction or damage to the Development Project by fire or other casualty, during construction or thereafter during the term of this Agreement, 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 Development Project will be completed or rebuilt in accordance with this Agreement. Should the Developer determine not to restore, reconstruct and repair, all unaccrued liability of the City for any payments shall immediately terminate.

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, Designee or MDFB 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's fees, in addition to any other damages to which it is entitled.

7.16 Actions Contesting the Validity and Enforceability. 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 Development Project or the ordinance approving this Agreement, Developer may, at its option, join the City in defense of such claim or action. The parties expressly agree that, so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the City and the Developer in any such proceeding. 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. All cost of any such defense, whether incurred by the City or the Developer, shall be deemed to be Reimbursable Development 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 Neither the City nor the MDFB, nor any of their respective governing body members, officers, agents, attorneys, employees and independent contractors (collectively, the "Released Parties") shall be liable to the Developer for damages or otherwise, or if any ordinance adopted, this Agreement or the Development Project, 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 any of the Released

Parties 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 none of the Released Parties shall be liable for, and agrees to indemnify and hold harmless the Released Parties 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 officers, agents, attorneys, employees and independent contractors, in connection with its or their activities conducted pursuant to this Agreement; provided, however, nothing contained herein shall affect or modify the Developer and the MDFB's rights and obligations under the Lease Agreement.
- 7.17.3** None of the Released Parties shall 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 Development Project or the Work except for matters arising out of the gross negligence or willful misconduct of any of the Released Parties; provided, however, nothing contained herein shall affect or modify the Developer and the MDFB's rights and obligations under the Lease Agreement.
- 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 or the MDFB 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 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 none of the Released Parties shall be liable for, and agrees to indemnify and hold each of the Released Parties 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 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 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 lease thereof by the Developer; provided, however, nothing contained herein shall affect or modify the Developer and the MDFB's rights and obligations under the Lease Agreement.. The foregoing release and indemnification shall not apply: (a) with respect to the City, 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 Development Project or any particular portion thereof; and (b) with respect to the MDFB, if MDFB fails to honor the terms of the assignment pursuant to Section 7.3.2 or obtains possession of moneys attributable to Reimbursable Project Costs and does not promptly pay such amounts to the Developer
- 7.17.7** The City releases from and covenants and agrees that neither the MDFB, nor its governing body members, officers, agents, attorneys, employees and independent contractors shall be liable for, and agrees to indemnify and hold each of them harmless from and against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed, resulting from, arising out of, or in any way connected with: (i) the City's enforcement of this Agreement or the enforcement or validity of any other agreement or obligation made in connection herewith; or (ii) the negligence or willful misconduct of the City or its officers, agents, employees or independent contractors in connection with the administration and enforcement of this Agreement. The foregoing release and indemnification shall not apply if MDFB fails to honor the terms of the assignment pursuant to Section 7.3.2 or obtains possession of moneys attributable to Reimbursable Project Costs and does not promptly pay such amounts to the Developer.
- 7.18** **Survival.** Notwithstanding the expiration or termination or breach of this Agreement by either party, the agreements contained in Section 2.2, clauses 2.2(iii) (iii)-(v), Article VI, Sections 7.10, 7.11, 7.12, 7.13, 7.14, 7.15, 7.16, 7.17, 7.23 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 Development Project.** 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 Development Project or any portion thereof. Upon substantial completion of the Development Project and so long as any City reimbursements are outstanding, the Developer or its successor(s) in interest, as owner or owners of the affected portion(s) of the Development Project, 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 the Development Project in a good state of

repair and attractiveness and in conformity with applicable state and local laws, ordinances and regulations; provided, however, nothing contained herein shall obligate Developer to perform any of obligations of MDFB under the Lease Agreement.

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 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 Development Project. 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 Development Project.

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 G**, 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 G**.

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 Development Project and with respect to ongoing services provided by third parties to the Developer in connection with the Development Project.

7.23 WAIVER OF JURY TRIAL. The City, MDFB, and Developer and any assignee hereby knowingly, voluntarily and intelligently waive any and all rights that each party to this instrument may now or hereafter have under the laws of the United States of America or the State of Missouri, to a trial by jury of any and all issues arising directly or indirectly in any action or proceeding relating to this instrument or any transactions contemplated hereby or related thereto. It is intended that this waiver shall apply to any and all defenses, rights, claims and/or counterclaims in any such action or proceeding.

Each party understands that this waiver is a waiver of a constitutional safeguard, and each party individually believes that there are sufficient alternate procedural and substantive safeguards, including, a trial by an impartial judge, that adequately offset the waiver contained herein.

7.23 Limitation on Liability. Notwithstanding anything to the contrary contained in this Agreement, it is understood and agreed that any payments due by the City hereunder have been irrevocably assigned by the MDFB to the Developer, and the MDFB shall have no liability or responsibility with respect to the collection, calculation or accuracy thereof. Nothing contained in this Agreement shall obligate the MDFB to reimburse the City or the Developer for any cost or expense incurred incident hereto; provided, however, nothing contained in this Agreement shall alter or modify any of the rights and obligations of the MDFB and the Developer under the Lease Agreement

**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, and all of the foregoing have been or will be, upon adoption of ordinance, 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.

8.3 Representations of the MDFB. The MDFB 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 MDFB, 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

(SEAL)

Attest:

Parrie May, City Register

Approved as to Form:

Patricia A. Hageman, City Counselor

“MDFB”

MISSOURI DEVELOPMENT FINANCE BOARD

By: _____
Name: _____
Title: _____

“DEVELOPER”

SMI-NSG, LLC

By: _____
Name: _____
Title: _____

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

On this _____ day of _____, 2008, 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 _____, 2008, 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.
 CITY OF ST. LOUIS)

On this _____ day of _____, 2008, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of the MISSOURI DEVELOPMENT FINANCE BOARD, a political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said MDFB, and said instrument was signed and sealed in behalf of said MDFB, and said individual acknowledged said instrument to be the free act and deed of said MDFB.

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 _____, 2008, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of the SMI-NSG, LLC, a limited liability company, and that he is authorized to sign the instrument on behalf of said limited liability company 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
 Improvements**

Improvements include each of the following categories of expenditures:

- General Conditions
- Supervision
- Labor
- Demolition
- Earthwork/Backfill
- Site Improvements
- Foundations & Reinforcing
- Floor Slab & Sidewalk
- Masonry
- Structural Steel
- Carpentry
- Insulation/Fire Proofing/Sealants
- Roofing and Flashing
- Doors
- Glass and Glazing
- Drywall
- Acoustical Ceiling
- Flooring
- Painting
- Toilet Accessories 7 Miscellaneous specialties
- Fixtures & Equipment
- Conveying Systems

Fire Protection
 Plumbing
 HVAC
 Electrical
 GC Fees & Insurance
 A&E Fees

Exhibit B

Reimbursable Development Project Costs¹

	<u>CATEGORY</u>	<u>COST ESTIMATE</u>
(a)	Construction costs (including all rehabilitation, mechanical, electrical, plumbing and/or other improvements to the Property, along with the purchase and installment of all trade fixtures and equipment).	\$5,866,600
(b)	Financing costs (includes, but is not limited to, loan fees, disbursing 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 a tax credit investor in the Development Project).	335,900
(c)	Professional Service Costs (includes, but is not limited to, architectural, engineering, legal, marketing, financial, planning, consultants or other special services).	350,000
(d)	Costs incurred by Developer pursuant to Section 2.2(i)-2.2(v) of this Agreement	16,100
(e)	Store Opening Costs (includes, but is not limited to, marketing, training, promotional, purchase of inventory and/or other costs associated with the opening of the grocery store).	850,000
	TOTAL ESTIMATED COSTS	\$7,418,600

¹ Subject to the limitations set forth in **Section 4.1** of this Agreement, Developer shall be entitled to reimbursement for Development Project Costs from any of the categories set forth above (without regard to maximum set forth for each category) provided such costs shall not exceed the aggregate amount of \$1,750,000 as provided in the Agreement.

EXHIBIT C
Quarterly Information Form

Tax Increment Financing (TIF) District:
 Quarterly Information*

For Period:

Business Name:

Address:**

Contact Person:

Phone Number:

Federal I.D. Number:

State I.D. Number:

Sales Tax Site Number:

Earnings Tax withholding:
 (Form W-10)

Earnings tax:
 (Business Return Form 234 - Annual)

Payroll tax:
 (Form P-10)

Please forward the above information to:

City of St. Louis, Comptroller's Office
Tax Increment Financing
1200 Market Street, Room 311
St. Louis, Missouri 63103
(314)589-6017

I, _____, in my capacity as _____,
hereby certify that I am authorized by _____
to release such confidential tax records referenced herein and
that such records are true and correct to my knowledge.

* This information will not be part of any public record. *Signature*
** Information is required for this specific location only. Do not combine with any other location.

EXHIBIT D

Form of Certificate of Commencement of Construction

DELIVERED BY

SMI-NSG, LLC

The undersigned, being a duly authorized officer of SMI-NSG, LLC (the "Developer"), pursuant to that certain Development Agreement dated as of _____, 2008, between the City of St. Louis, Missouri (the "City"), MDFB, and Developer (the "Agreement") hereby certifies to the City as follows:

1. All property for the Development Project, has been leased by Developer in accordance with the Agreement.
2. Developer has entered into an agreement with a contractor or contractors to construct the Development Project.
3. Developer has submitted to the MBE/WBE Compliance Officer a copy of Developer's MBE/WBE Subcontractor's List and MBE/WBE Utilization Statement, which are attached hereto as **Appendix B**.
4. Developer has obtained all necessary financing to complete the Development Project.
5. 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 Development 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__.

By: _____
Name: _____
Title: _____

EXHIBIT E

Form of Certificate of Reimbursable Development 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, Schnucks Ninth Street Garage Development Project

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Agreement dated as of _____, 2008 (the "Agreement"), among the City, MDFB, and SMI-NSG, LLC (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 Development Project Cost and was incurred in connection with the construction of the Development Project.
2. These Reimbursable Development Project Costs have been have been paid by the Developer and are reimbursable

EXHIBIT F

Form of Certificate of Substantial Completion
CERTIFICATE OF SUBSTANTIAL COMPLETION

The undersigned, being a duly authorized officer of SMI-NSG, LLC (the "Developer"), pursuant to that certain Development Agreement dated as of _____, 200__, among the City of St. Louis, Missouri (the "City"), MDFB and the Developer (the "Agreement"), hereby certifies to the City as follows:

- 1. That as of _____, _____, the construction of the Development 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 Development 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 with a copy to the MDFB in accordance with the Agreement to evidence the Developer's satisfaction of all material obligations and covenants with respect to the Development 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 (or deemed 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__.

SMI-NSG, LLC

By: _____
Name: _____
Title: _____

ACCEPTED:

SLDC

By: _____
Name: _____
Title: _____

CITY OF ST. LOUIS, MISSOURI

By: _____
Name: _____
Title: _____

(Insert Notary Form(s) and Legal Description)

EXHIBIT G

Equal Opportunity and Nondiscrimination Guidelines

In any contract for Work in connection with the Development Project related to any of the Property, 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 Development Project.

The Developer shall make good faith efforts to observe Executive Order #28 dated July 24, 1997, relating to minority and women-owned business participation in City contracts.

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. 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 H

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 I

**MBE/WBE Utilization Statement
PRIVATE DEVELOPMENT PROJECTS**

Project Name: _____	
Developer Name: _____	
General Contractor Name: _____	
Portion of Project include in General Contractor's Contract: _____	
Project Location: _____	
Date Statement Provided: _____	
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 MBE _____

It is the policy of the City of St. Louis that minority and women-owned businesses, as defined in the Mayor’s Executive Order #28 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 Development Project. The undersigned certify that they have read, understand and agree to be bound by the Mayor’s Executive Order #28, as amended and reissued, regarding minority and women business enterprise utilization. The undersigned further certify that we are legally authorized to make the statements and representations in this Statement and that the statements and representations contained herein are true and correct to the best of our knowledge and belief. We understand that, pursuant to the Executive Order, it is our companies’ responsibility to achieve maximum possible utilization of minority and women’s business enterprises in the construction of the above-referenced development and that goals of 25% minority participation and 5% women’s business participation have been established for the project. We further understand that only contracts with businesses that are certified by the City’s M/W/DBE Office, either directly or through reciprocity arrangements, will be counted towards the goals. We acknowledge that the City’s M/W/DBE Office (“City”) will review the Subcontractor List provided in conjunction with this Utilization Statement and will make a determination as to which of the contractors and contractors listed represent proposed contracts with M/WBEs that are legitimate and responsible. We hereby agree to enter into formal agreements with the minority/women business enterprises listed in the Subcontractor List approved by the City pursuant to such review and to work with the City. We further understand that, if the Subcontractor List submitted in conjunction with this utilization statement does not indicate that the goals have been achieved or if the City determines that one or more of the contracts proposed on the Subcontractor List are not legitimate and responsible or that the businesses listed are not certified, it is our companies’ responsibility to continue to solicit the participation of additional minority and women owned businesses on the project until construction is complete. We understand that if we have made any of the statements and representations contained herein knowing them to be false, or if there we fail 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, our act or failure to act, as the case may be, shall constitute a material breach of any contract we have that is related to this development project, either directly or through the Developer to the General Contractor, and that such breach shall entitle the City to terminate any related 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 any contract. Additionally, the contractor may be subject to the penalties cited in Section Twelve of the Mayor’s Executive Order #28, as amended. We, acting as authorized officers of the undersigned General Contractor or joint venture contractor and Developer, hereby assure the City that on this project my company will adhere to the requirements of this Statement.

Name of Prime Contractor(s): _____

 Prime Contractor Authorized Signature

Title: _____

Date: _____

Name of Developer(s): _____

 Prime Contractor Authorized Signature

Title: _____

Date: _____

Approved: March 31, 2008

**ORDINANCE #67969
 Board Bill No. 529
 Committee Substitute**

An ordinance recommended by the Board of Estimate and Apportionment of the City of St. Louis, Missouri (the “City”) authorizing and directing the St. Louis Municipal Finance Corporation (the “Corporation”) to issue and sell the Corporation’s Taxable Pension Leasehold Revenue Bonds (City of St. Louis, Missouri, Lessee), Series 2008 or Taxable Pension Service Contract Revenue Bonds, Series 2008 or any combination thereof (collectively, the “Series 2008 Bonds”), in an aggregate principal amount not to exceed \$37,000,000 in order to pay certain actuarially required contributions coming due in the City’s current fiscal year (“Fiscal Year 2008”) in connection with any or all of the City of St. Louis Police Retirement System (the “PRS”), the City of St. Louis Firemen’s Retirement System (the “FRS”), and the City of St. Louis Employees’ Retirement System (the “ERS” and together with the PRS and FRS, the “Retirement Systems”) for the general welfare, safety, and benefit of the citizens of the City; authorizing and directing the Corporation to execute and deliver, as necessary or desirable to facilitate the transactions contemplated hereby, any of the Indenture, the Base Lease, the Lease Purchase Agreement, the Service Contract, the Interest Rate Exchange Agreement, the

Official Statement, and Bond Purchase Agreement (all as defined herein); authorizing the City to execute and deliver, as necessary or desirable to facilitate the transactions contemplated hereby, any of the Base Lease, the Lease Purchase Agreement, the Service Contract, the Continuing Disclosure Agreement (as defined herein), any Interest Rate Exchange Agreement to which the City is a party, the Official Statement, and Bond Purchase Agreement; providing for a debt service reserve fund or funds for the Series 2008 Bonds, if any; authorizing the Corporation and the City to obtain credit enhancement for a portion or all of the Series 2008 Bonds from a Credit Provider (as defined herein), authorizing the payment of any obligations due to a Credit Provider, if any, and authorizing the Comptroller and any other appropriate City officials to execute the Credit Agreement (as defined herein) and other documents related thereto, if any; authorizing participation of appropriate City officials in preparing the Official Statement; authorizing the acceptance of the terms of the Bond Purchase Agreement and the taking of further actions with respect thereto; authorizing the payment of certain costs of issuance of the Series 2008 Bonds; authorizing and directing the taking of other actions and approval and execution of other documents as necessary or desirable to carry out and comply with the intent hereof; and superseding provisions of prior ordinances of the City to the extent inconsistent with the terms hereof.

WHEREAS, on February 5, 2008, under and by the authority of Section 92.500 RSMo, the qualified voters of the City of St. Louis approved a one-half of one percent sales tax on all retail sales made in the City of St. Louis (the "Public Safety Sales Tax") for the purpose of providing revenues for the operation of public safety departments, including police and fire departments; and

WHEREAS, pursuant to Ordinance No. 67794, the Board of Aldermen of the City has required that all revenues from the Public Safety Sales Tax be deposited in the Public Safety Protection Sale Tax Fund to be used for various public safety purposes, and in particular has required that certain amounts deposited in the Public Safety Pension Trust Sub-Account of the Public Safety Protection Sale Tax Fund and all interest earned thereon shall be used for the purpose of funding (i) first, that portion of the debt service of the St. Louis Municipal Finance Corporation's Taxable Leasehold Revenue and Refunding Bonds (City of St. Louis, Missouri, Lessee), Series 2007 (Pension Funding Project) (the "Series 2007 Pension Bonds") or any subsequent bonds issued or any subsequent series of bonds refunding or refinancing any of the foregoing bonds that is allocable to the payment from bond proceeds of actuarially required contributions to PRS or FRS, and (ii) second, any additional actuarially required contributions to PRS and FRS; and

WHEREAS, pursuant to Ordinance No. 67815, the Board of Aldermen of the City has required that revenues from the City's gross receipts tax on telephone companies (the "Gross Receipts Tax") and all interest earned thereon shall be used for the purpose of funding (i) first, that portion of the debt service of the Series 2007 Pension Bonds or any subsequent bonds issued or any subsequent series of bonds refunding or refinancing any of the foregoing bonds that is allocable to the payment from bond proceeds of actuarially required contributions to ERS, and (ii) second, any additional actuarially required contributions to ERS; and

WHEREAS, during Fiscal Year 2008, revenues from the Public Safety Tax and the Gross Receipts Tax will not be received by the City in amounts sufficient to timely pay the actuarially required contributions to the Retirement Systems due in Fiscal Year 2008;

WHEREAS, the City has determined that it is in the best interest of the City to direct the Corporation to issue and sell the Series 2008 Bonds for the purposes of paying such current actuarially required contributions in connection with the Retirement Systems; and

WHEREAS, it is necessary and desirable in connection with the issuance of the Series 2008 Bonds for the City and/or the Corporation to execute and deliver certain documents and take certain other actions as herein provided.

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

Section 1. Definitions. Capitalized terms used herein and not otherwise defined in this Ordinance or the preambles hereto shall have the meanings ascribed to such terms in the Indenture. As used in this Ordinance, the following words shall be defined as follows:

"Additional Rentals" shall have the meanings ascribed to such term in the Lease Purchase Agreement.

"Base Lease" means the Base Lease, if any, between the City, as lessor, and the Corporation, as lessee, as may be amended and supplemented in accordance with the terms thereof, pursuant to which the City conveys a leasehold interest in the Leased Property to the Corporation.

"Bond Purchase Agreement" means the Bond Purchase Agreement or Bond Purchase Agreements related to the issuance and sale of the Series 2008 Bonds.

"Bonds" means the Series 2008 Bonds and any and all other bonds issued by the Corporation pursuant to and under the Indenture.

"City Documents" means the Base Lease, if any, the Lease Purchase Agreement, if any, the Service Contract, if any, the Credit Agreement, if any, the Continuing Disclosure Agreement, the Bond Purchase Agreement, any Interest Rate Exchange Agreement to which the City is a party, and such other documents, certificates, and instruments as may be necessary or desirable to facilitate the issuance of the Series 2008 Bonds and to carry out and comply with the intent of this Ordinance.

“Continuing Disclosure Agreement” means one or more Continuing Disclosure Agreements memorializing the City's and/or the Corporation's continuing disclosure obligations with respect to the Series 2008 Bonds.

“Corporation Documents” means the Trust Indenture, the Base Lease, if any, the Lease Purchase Agreement, if any, the Service Contract, if any, the Bond Purchase Agreement, the Interest Rate Exchange Agreement, if any, and such other documents, certificates, and instruments as may be necessary or desirable to facilitate the issuance of the Series 2008 Bonds and to carry out and comply with the intent of this Ordinance.

“Credit Agreement” means any agreement by and between the Credit Provider and the City providing for Credit Enhancement, if any.

“Credit Enhancement” means one or more standby letters of credit, standby bond purchase agreements, irrevocable direct pay letters of credit, and other liquidity facilities, surety bonds, or bond insurance policies issued by a Credit Provider guaranteeing, providing for, or insuring the payment of all or a portion of the principal of and interest on and/or the purchase price of one or more series of Bonds as provided therein.

“Credit Provider” means the issuer or issuers of the Credit Enhancement, if any, pursuant to or identified in the Indenture.

“Financial Advisor” means P.G. Corbin & Company, Inc., the financial advisor to the City with respect to the Series 2008 Bonds.

“Indenture” means the Trust Indenture between the Corporation and the Trustee, as may be further amended or supplemented pursuant to the terms thereof, pursuant to which the Series 2008 Bonds and any additional series of bonds are issued.

“Interest Rate Exchange Agreement” means any agreement entered into by the City and/or the Corporation and a counterparty in connection with the Bonds and providing for payments based on levels of or changes in interest rates, including without limitation such agreements commonly referred to as interest rate swaps, hedges, caps, floors, and collars.

“Lease Purchase Agreement” means the Lease Purchase Agreement, if any, between the Corporation, as lessor, and the City, as lessee, as may be amended or supplemented pursuant to the terms thereof, pursuant to which the Corporation conveys a leasehold interest in the Leased Property to the City, and the City leases the Leased Property, together with any improvements thereon, from the Corporation and agrees to pay Rentals and Additional Rentals, subject to annual appropriation to the extent required by applicable law, equal to the principal and interest due on the Bonds secured thereby.

“Leased Property” means any leased property of the City as provided in the Lease Purchase Agreement.

“Official Statement” means the Preliminary Official Statement or Statements, the final Official Statement or Statements, and any other disclosure materials prepared in connection with the issuance, sale, and delivery of the Series 2008 Bonds.

“Rentals” shall have the meanings ascribed to such term in the Lease Purchase Agreement.

“Retirement Systems” means the City of St. Louis Police Retirement System, the City of St. Louis Firemen's Retirement System, and the City of St. Louis Employees' Retirement System.

“Series 2008 Bonds” means the Corporation's Taxable Pension Leasehold Revenue Bonds (City of St. Louis, Missouri, Lessee), Series 2008, and/or Taxable Pension Service Contract Revenue Bonds, Series 2008, authorized pursuant to the Indenture.

“Service Contract” means the Service Contract, if any, by and between the Corporation and the City, as may be amended pursuant to the terms thereof, pursuant to which the Corporation agrees to issue its Taxable Pension Service Contract Revenue Bonds, Series 2008, and the City agrees to pay amounts to the Corporation, subject to annual appropriation to the extent required by applicable law, equal to the principal and interest due on such bonds and any other amounts due thereunder.

“Trustee” means the trustee under the Indenture or any successor thereto under the Indenture.

“Underwriters” means the underwriters with respect to the Series 2008 Bonds.

Section 2. Findings and Determinations. The Board of Aldermen hereby finds and determines that it is necessary and in the best interests of the City:

(a) to authorize and direct the Corporation to issue, as market conditions warrant, the Series 2008 Bonds (i) to pay certain actuarially required contributions in connection with any or all of the Retirement Systems for Fiscal Year 2008, and any capital expenditures reasonably necessary, in the opinion of bond counsel, to adequately secure the Series 2008 Bonds, (ii) to fund one or more debt service reserve funds, if any, and/or the purchase of Credit Enhancement for the Series 2008 Bonds, and (iii) to pay reasonable expenses incurred by the Corporation and the City in connection with the transactions contemplated hereby; and

(b) to authorize and direct the Corporation to enter into a negotiated sale of the Series 2008 Bonds to the Underwriters.

Section 3. Authority and Direction to Issue the Series 2008 Bonds. The City hereby authorizes and directs the Corporation, as market conditions warrant, to issue the Series 2008 Bonds in an aggregate principal amount not to exceed \$37,000,000 (the "Series 2008 Bonds") on behalf of the City for the purposes set forth in Section 2 hereof. The Series 2008 Bonds (i) shall have final maturities not more than 30 years from their date of issuance, (ii) shall bear fixed rates of interest of not more than 10% and/or variable rates of interest not to exceed the maximum amount allowable under Missouri law, and (iii) may be sold at a premium or at a discount with such discount not to exceed the maximum discount allowable under Missouri law. The terms and provisions of the Series 2008 Bonds shall be as provided in the Indenture.

Section 4. Limited Obligations. The Series 2008 Bonds and the interest thereon and any Interest Rate Exchange Agreement shall be limited obligations payable by the Corporation solely from (i) proceeds of the Series 2008 Bonds, (ii) Rentals, Additional Rentals and/or payments under the Service Contract received by the Corporation from the City or by the Trustee on behalf of the Corporation and reasonably expected to be used to pay debt service on the Series 2008 Bonds pursuant to the Lease Purchase Agreement and/or the Service Contract or to make payments with respect to any Interest Rate Exchange Agreement, (iii) amounts available in the debt service reserve fund or funds, if any, (iv) amounts payable by any Credit Provider in connection with any Credit Enhancement on the Series 2008 Bonds, if any, and (v) any amounts received under any Interest Rate Exchange Agreement. The Series 2008 Bonds, the Interest Rate Exchange Agreement, if any, and the interest thereon do not and shall not constitute an indebtedness of the City or the State of Missouri or any instrumentality thereof within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make payments of Rentals and Additional Rentals and other amounts under the Lease Purchase Agreement, if any, the Service Contract, if any, and the Interest Rate Exchange Agreement, if any, is subject to annual appropriation to the extent required by applicable law as provided therein. None of the obligation of the City to make such payments under the Lease Purchase Agreement, if any, the Service Contract, if any, and the Interest Rate Exchange Agreement, if any, or the Bonds shall constitute a debt of the City. The issuance of the Series 2008 Bonds will not directly or contingently obligate the City to make any payments beyond those appropriated for its then current fiscal year.

Section 5. Authority and Direction to Execute and Deliver Corporation Documents. In connection with the issuance of the Series 2008 Bonds, the City hereby authorizes and directs the Corporation to execute and deliver the Corporation Documents in forms that are consistent with the provisions of this Ordinance, as such Corporation Documents are approved by the Corporation and by the City Counselor as to the form thereof and with the advice of the Underwriters and the Financial Advisor, with the respective signatures thereon of the appropriate officers of the Corporation executing such documents to be evidence of the approval of the Corporation.

Section 6. Authority and Direction to Sell the Series 2008 Bonds in a Negotiated Sale. In connection with the issuance of the Series 2008 Bonds, the City hereby authorizes and directs the Corporation to negotiate the sale thereof with the Underwriters, subject to the provisions of this Ordinance. The City further hereby authorizes and directs the Corporation to prepare, at the request of the Underwriters, the Official Statement; to execute and deliver the final Official Statement; and to execute and deliver the Bond Purchase Agreement, the Continuing Disclosure Agreement and any and all related documents, all in connection with such negotiated sale of the Series 2008 Bonds.

Section 7. Authority and Direction to Obtain Credit Enhancement. The City hereby authorizes the Corporation to obtain Credit Enhancement for the Series 2008 Bonds from a Credit Provider with such credit rating that, in the opinion of the Underwriters and the Financial Advisor, will achieve an economic benefit for the City if the Series 2008 Bonds are secured by such Credit Enhancement. Any Credit Agreement executed in connection therewith may pledge Rentals, Additional Rentals, and/or payments under the Service Contract to payment of (i) debt service on the Bonds and (ii) any amounts due and owing to the Credit Provider under the Credit Agreement. The Comptroller is hereby authorized to approve the terms of any such Credit Agreement, and the Comptroller, with the advice of the City Counselor as to form thereof, is hereby authorized and directed to execute such Credit Agreement and other documents in connection therewith as required to obtain the Credit Enhancement.

Section 8. Authority and Direction to Execute and Deliver City Documents. The City hereby authorizes and directs the Mayor and the Comptroller of the City to execute and deliver the City Documents in forms that are consistent with the provisions of this Ordinance, as such City Documents are approved by the Mayor and the Comptroller with the advice of the Underwriters and the Financial Advisor, and as are approved as to form by the City Counselor, with the respective signatures of such officials thereon to be evidence of the approval of the City; and the Register of the City is hereby authorized and directed to affix the corporate seal of the City to the City Documents and to attest the same.

Section 9. Authorization with Respect to Sale of the Series 2008 Bonds. The Mayor, the Comptroller, and other appropriate officers, agents, and employees of the City are hereby authorized and directed to participate with the Corporation in the preparation of the Official Statement; the Mayor and the Comptroller are hereby authorized and directed to execute and deliver the final Official Statement in a form that is consistent with the provisions of this Ordinance, as is approved by the Mayor and the Comptroller with the advice of the Underwriters and the Financial Advisor, and as is approved as to form by the City Counselor, with the respective signatures of the Mayor and the Comptroller thereon to be evidence of the approval of the City.

Section 10. Further Authority. The Mayor, the Comptroller, the Treasurer (as to permitted investments only), the Register, and other appropriate officers, agents, and employees of the City are hereby authorized to take such further actions and execute such other documents as may be necessary or desirable to carry out and comply with the intent of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the City Documents, and the Official Statement.

Section 11. Superseding of Inconsistent Provisions. The provisions of this Ordinance hereby amend any provision of any ordinance of the City inconsistent with the terms hereof, but only to the extent of such inconsistency.

Approved: March 31, 2008

**ORDINANCE #67970
Board Bill No. 236**

An Ordinance recommended by the Planning Commission on July 2, 2007, to change the zoning of property as indicated on the District Map, from "C" Multiple-Family Dwelling District to the "G" Local Commercial and Office District in City Block 3725 (4427, 4429, 4431, 4435, 4439 and 4441 Page Boulevard), so as to include the described parcels of land in City Block 3725; and containing an emergency clause.

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

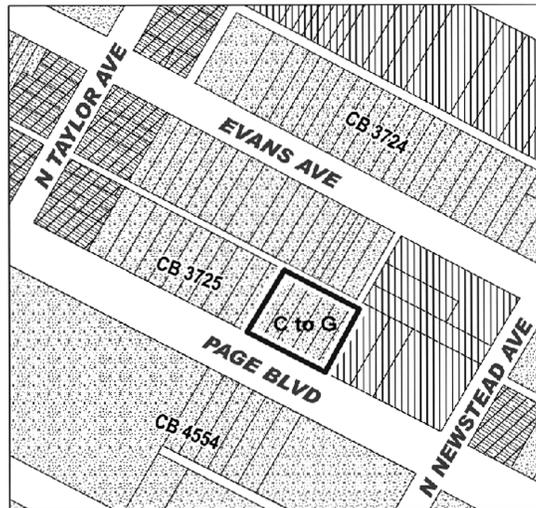
SECTION ONE. The zoning designation of certain real property located in City Block 3725 is hereby changed to the "G" Local Commercial and Office District, real property being particularly described as follows:

A tract of land being lots 6, 7, 8 and the east 29.58 feet of lot 9 of block 6 of Evans Place. A subdivision in city block 3725 of the City of St Louis, recorded in plat block 9, page 62 of the City of St Louis recorders office, in the City of St Louis, Missouri, and being more particularly described as follows:

Commencing at the Southeast corner of lot 1 in block 6 of said Evans Place, said point also being at the intersection of the Northern Line of Page Boulevard, 100.00 feet wide with the Western line of Newstead Avenue, 60.00 feet wide; Thence north 60 degrees 54 minutes 16 seconds west along said north line of Page Boulevard a distance of 250.00 feet to the point of beginning of the tract described herein. Said point of beginning also being the Southeast corner of said lot 6 in block 6 of Evans Place; Thence continuing north 60 degrees 54 minutes 16 seconds west along Page Boulevard a distance of 177.00 feet to an Old Iron Pipe; Thence departing Page Boulevard north 29 degrees 05 minutes 05 seconds East a distance of 153.00 feet to the south line of a 20.00 feet wide public alley; Thence south 60 degrees 54 minutes 16 seconds east along said alley line a distance of 177.00 feet to a point being the northeast corner of said lot 6; Thence south 29 degrees 05 minutes 05 seconds west along the common property line between lots 5 and 6 a distance of 153.00 feet to the point of beginning containing 27,081 square feet or 0.621 acres.

SECTION 2. This ordinance being necessary for the preservation of the health, safety and welfare shall take effect and be in full force immediately upon approval by the Mayor of the City of St. Louis.

EXHIBIT A



Current Zone		Rezoning Area
	A Single Family Dwelling Dist	
	B Two Family Dwelling Dist	Rezone From 'C' to 'G'
	C Multiple Family Dwelling Dist	FDA-134-07-REZ.
	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	



Approved: April 17, 2008

ORDINANCE #67971
Board Bill No. 454

AN ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST. LOUIS, MISSOURI AS A REDEVELOPMENT AREA KNOWN AS THE MAGNOLIA-THURMAN 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 MAGNOLIA-THURMAN 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 Magnolia-Thurman, L.L.C. a Missouri limited liability company (the "Developer"), prepared a plan for redevelopment titled "The Magnolia-Thurman TIF Redevelopment Plan" dated September 15, 2007 (the "Redevelopment Plan"), for an area consisting of two parcels in City Block 4925, which parcels are commonly known and numbered as 2355 Thurman Avenue and 4101 Magnolia Avenue (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 acquisition of the properties within the Redevelopment Area, renovation of an existing structure into a residential building and the creation of an adjacent parking lot, as set forth in the Redevelopment Plan (the "Redevelopment Project," or "TIF Project"); and

WHEREAS, on October 31, 2007 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 October 31, 2007, the TIF Commission found that completion of the Redevelopment Project would provide a substantial and significant public benefit through the elimination of blighting conditions, increased property values and tax revenues, stabilization of the Redevelopment Area, 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 October 31, 2007, 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, (ii) approving the 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 one or more tax increment financing revenue notes in the amount as specified in the Redevelopment Plan; 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 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, the Redevelopment Area contains a vacant structure that is in poor condition, is problematic for the neighborhood, encourages crime, discourages investment, and represents a social and economic liability to the City; and

WHEREAS, it is necessary and desirable and in the best interest of the City to approve the Redevelopment Project to allow the rehabilitation and renovation of an existing structure into a residential building and the creation of an adjacent parking lot; 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 as set forth 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 if the Redevelopment Project 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 benefitted by the proposed Redevelopment Project.

I. The Redevelopment Project will not require the demolition of any existing buildings in the Redevelopment Area.

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 October 31, 2007, 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 “Magnolia-Thurman 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 Magnolia-Thurman 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 payments in lieu of taxes into the Magnolia-Thurman 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 Magnolia-Thurman 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 Magnolia-Thurman 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 an ordinance authorizing the City to enter into a redevelopment agreement pertaining to the Redevelopment Project, the Developer or its affiliate or designee, has not (i) executed such redevelopment agreement 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

MAGNOLIA-THURMAN TIF REDEVELOPMENT PLAN

THE MAGNOLIA-THURMAN

TIF REDEVELOPMENT PLAN

Submitted to
The City of St. Louis
Tax Increment Financing Commission
September 15, 2007

**MAGNOLIA-THURMAN
TIF REDEVELOPMENT PLAN**

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MAGNOLIA-THURMAN

**TIF REDEVELOPMENT PLAN
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I. INTRODUCTION

The following is a plan prepared for redevelopment of certain real property in the City of St. Louis (the "City") consisting of two parcels in City Block 4925, which parcels are commonly known and numbered as 2355 Thurman Avenue and 4101 Magnolia Avenue (the "Redevelopment Area" or "Area"). The Area currently contains one vacant residential building and one vacant building. 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) (the "TIF Act"). This Redevelopment Plan contemplates the complete redevelopment of the Area and renovation and rehabilitation of the existing buildings into residential units and parking (the "Redevelopment Project" or "Project").

This Redevelopment Plan proposes that the City initially authorize and issue one or more Tax Increment Financing Notes ("TIF Notes") in an amount up to Five Hundred Seventy Thousand and No/100 Dollars (\$570,000.00) plus issuance costs to fund a portion of the costs of the Redevelopment Project. The TIF Notes issued shall be reimbursed 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. One hundred percent of PILOTS within the Redevelopment Area and fifty percent of EATS will be allocated to retire the TIF Notes. Upon certain terms and conditions contained in an agreement between the City and any developer of the Project ("Developer"), the City may issue TIF Note(s) or other TIF obligations to the 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 Magnolia-Thurman 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 proceed immediately 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 or pledged 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.

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 Area consists of two properties generally located at the northwest corner of the intersection of Magnolia Avenue and Thurman Avenue.

2. Redevelopment Plan Objectives

The City of St. Louis has established the following objectives for the Magnolia-Thurman 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 a higher and better use, benefiting 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 City of St. Louis Strategic Land Use Plan and the Downtown Development Action Plan;
- To increase property values of the Area; and
- To stimulate construction and permanent employment opportunities and increased demand for services in the surrounding area.

3. Redevelopment Project

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

- Residential Use The Project will consist of the rehabilitation and renovation of an existing structure into a residential building and the demolition of an existing building and construction of adjacent 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 residents' needs as well as market conditions as redevelopment of the Redevelopment Project progresses.

It is expected that the Redevelopment Project will rehabilitate a property that has been the source of problems for the Tower Grove neighborhood for the past few years. The Area overlooks Tower Grove Park and is currently an eyesore to nearby residents.

The total estimated Redevelopment Project Costs for the Redevelopment Project at this time equal approximately \$4,316,000, excluding 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 residential uses. A map profiling the general land uses to apply is 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 twenty-four (24) months from the full 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. 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 is approximately \$653,669 (2009).

8. Acquisition

The Developer or a related entity is currently the owner of the parcels within the Area necessary for the Redevelopment Project.

9. Blighted Area

As described in greater detail in the *Analysis of Conditions Representing a Blighted Area for the Magnolia-Thurman Building 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 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.

10. 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).

11. Plan for Relocation Assistance

The relocation of residents or businesses is not anticipated to be necessary within the Redevelopment Area with respect to the Redevelopment Project. 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.

12. Cost Benefit Analysis

A cost benefit analysis showing the fiscal impact of the Project on each taxing district impacted by this Redevelopment Plan and sufficient information to determine the financial feasibility of the Project 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.

13. Does Not Include Gambling Establishment

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

14. 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.

15. Historical Land Use of Property Within the Redevelopment Area

The Building on 4101 Magnolia was built in 1925 and has been used for residential uses. The Building has been vacant for several years. The Building on 2355 has been used by Metro as a bus transfer and turnaround station.

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 \$4,316,000, excluding 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 or renovation of buildings or other structures;
- 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 \$4,316,000 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, site work, street and sidewalk improvements, utility work, resetting of curbs, landscaping and lighting in the right of way).
	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).
	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).

	Professional Service Costs (includes, but is not limited to, architectural, engineering, surveying, legal, marketing, advertising, financial, planning, or special services).
	TIF Costs & Issuance Costs incurred by the Developer. Costs of rehabilitation of buildings or other structures.
\$ 4,316,000	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 four (4) 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:

- Owner equity;
- Private financing;
- State Historic Tax Credits
- 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 and term of the sources of funds are set forth in **Appendix 2**. It is not the intent of **Appendix 2** or this Redevelopment Plan to restrict the City or the Developer to the sources or source amounts as outlined. During the life of the Redevelopment Agreement, Plan, and Project, 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 and issue one or more Tax Increment Financing Notes ("TIF Note") in an amount up to Five Hundred Seventy Thousand and No/100 Dollars (\$570,000.00) 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 Magnolia-Thurman Special Allocation Fund.

The Magnolia-Thurman 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 financing commitment letter with respect to financing of Redevelopment Project Costs associated with the Redevelopment Project.

**APPENDIX 1
MAGNOLIA-THURMAN TIF REDEVELOPMENT PLAN
LEGAL DESCRIPTION AND MAP OF REDEVELOPMENT AREA**

Parcel 1:

A Lot of ground in Block 4925 in the City of St. Louis, fronting 123 feet 3 1/2 inches on the North line of Magnolia Avenue, by a depth Northwardly of 167 feet 6 inches and having a width on the North line of 116 feet 4 inches, bounded East by Thurman Avenue, West by a line 540 feet East of the West line of Lot 1 of subdivision of Louis Bompert's tract in U.S. Survey 1513, said Lot being commonly known and numbered as 4101 Magnolia Avenue in the City of St. Louis, Missouri and being further identified by the Assessor's Office as parcel id. number 4925-00-02600.

Parcel 2:

That parcel of land commonly known and numbered as 2355 Thurman Avenue in the City of St. Louis, Missouri, said parcel being identified by the St. Louis Assessor's Office as Parcel Id. No. 49250002500 and being further identified as 182 ft 11 5/8 in x 108 ft 8 3/4 in / 116 ft 4 in Magnolia Terrace Addn Lots 5-10 & parcel one.

**APPENDIX 1
MAGNOLIA-THURMAN TIF REDEVELOPMENT AREA
ST. LOUIS, MISSOURI**



**APPENDIX 2
MAGNOLIA-THURMAN TIF REDEVELOPMENT PLAN
ANTICIPATED SOURCES AND USES OF FUNDS**

**MAGNOLIA-THURMAN
Anticipated Sources and Uses
(excluding developer fees)**

USES

\$ 1,100,000	Acquisition		
\$ 2,150,000	Construction		
\$ 100,000	Parking Lot Construction		
\$ 816,000	Soft Cost		
	Legal	\$	50,000
	Interest	\$	261,000
	Commission	\$	200,000
	Architect	\$	70,000
	Marketing	\$	110,000
	Design Fees	\$	25,000
	Market Study	\$	5,000
	Appraisal	\$	3,000
	Taxes	\$	11,000
	Title and Recording	\$	5,000
	Certification/Accounting	\$	15,000
	DED	\$	10,000
	Loan Fees	\$	26,000
	Engineer Fees	\$	25,000
\$ 150,000	Contingency		
\$ 4,316,000	TOTAL USES		

SOURCES

\$ 2,963,000	Construction Financing		
\$ 570,000	TIF Note		
\$ 783,000	State HTC Proceeds		
	QREs	\$	3,600,000
	Rate		0.25
	Price		0.87
\$ 4,316,000	TOTAL SOURCES		

**APPENDIX 3
ANALYSIS OF CONDITIONS REPRESENTING A BLIGHTED AREA FOR THE
MAGNOLIA-THURMAN REDEVELOPMENT AREA**

**ANALYSIS OF CONDITIONS
REPRESENTING A BLIGHTED AREA**

for the
MAGNOLIA-THURMAN
TIF REDEVELOPMENT AREA

THE MAGNOLIA THURMAN TIF REDEVELOPMENT PLAN

September 15, 2007

City of St. Louis, Missouri
Tax Increment Financing Commission

TIF ELIGIBILITY

The Magnolia-Thurman Redevelopment Area (the "Redevelopment Area" or "Area") established in the Magnolia-Thurman Redevelopment Plan (the "TIF Redevelopment Plan") is a blighted area based on the fact that it exhibits the factors set forth in Section 99.805(1) of the Revised Statutes of Missouri (the "TIF Act").

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 exteriors and interiors;
 - b. Systems and components.
- 2) Unsanitary and unsafe conditions resulting from:
 - a. Inadequate utilities;
 - b. Trash and debris;
 - c. Exterior site conditions.
- 3) Existence of Conditions which Endanger Lives or Property by Fire or Other Causes:
 - a. Limited safety systems; and
 - b. Deteriorating physical structure.
- 4) Menace to the Public Health, Safety, Morals or Welfare
- 5) Economic and Social Liability:
 - a. Deferred maintenance and lack of investment;
 - b. Uncompetitive position.

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

A map illustrating the boundaries of the area 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 field work were performed in September, 2007. Observations and conclusions are based upon on-site inspections of the Redevelopment Area and familiarity with the local market.

In determining whether the proposed Redevelopment Area meets the eligibility requirements for Tax-Increment Financing per the TIF Act, a number of sources of information were utilized; including, but not limited to, the following:

- A. Survey of the condition and use of the Redevelopment Area;
- B. Public documents and records relating to the history and/or condition of the Area; and
- C. Analysis of existing uses.

OVERVIEW OF THE REDEVELOPMENT AREA

The Redevelopment Area consists of two building (collectively the "Buildings" and singly the "Building") on two parcels in City Block 4925 as shown on Appendix 1 to the TIF Redevelopment Plan. The Buildings are vacant and uninhabitable.

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 plates, or holes and cracks over limited areas. Deterioration that is not easily curable, however, and that 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.

The Area suffers from deterioration of numerous exterior and interior building components. The Building has had many of its windows removed and is unsecured and open to the elements. Other windows and door frames are rotted, broken

and/or have been boarded up. The exterior also suffers from deteriorated masonry work that will require tuckpointing.

The interior of the Building has been partially gutted and is uninhabitable. Trash and debris have collected throughout and are piled in haphazard, dangerous configurations. Remaining floors, ceilings and walls exhibit significant degradation with rot, holes, cracks, and discoloration, while remaining paint has peeled or bubbled off. All mechanical systems have been removed or are inoperable, leaving the Building without water, sewer, electricity, or heat.

Sidewalks and walkways throughout the Area are overgrown, uneven, and cracked, making access to the Building dangerous. The foundation of the Building is cracked and crumbling. Large wholes exist in the foundation of the Building. The fire escapes are also rusted and unsafe.

Also, the age of the building indicates that insulation and floor and ceiling components may possibly have been constructed with asbestos-containing materials.

The Building comprising the Area suffers deteriorated conditions to both primary and secondary building components. These deficiencies cannot be corrected through normal maintenance but require either rehabilitation and renovation, or replacement.

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 inside the Building is clearly detrimental, unsanitary, and unsafe. The accumulation of dirt and dust in the Building increases the risk of illness and creates an unsanitary environment for living or working. These unsanitary conditions pose a serious risk of illness or disease to any modern inhabitants, and contribute to the vacancy, underutilization, and blight of the Area.

3) Existence of Conditions which Endanger Lives or Property by Fire or Other Causes:

Endangerment by fire and other causes is typically due to the presence of structures below minimum fire code standards. Such code standards include building, 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 deteriorating condition of the Area has resulted in structural conditions that are unsafe and which present a danger to property and personal safety due to fire or other causes.

4) Menace to the Public Health, Safety, Morals, or Welfare:

As discussed above, the Redevelopment Area exhibits many factors that constitute a menace to the public health, safety, morals, or welfare in its present condition and use. The deteriorating, unsanitary, and unsafe building conditions described above represent a menace to the public health and safety; the economic liability of the deteriorated structure also represents a menace to the public welfare.

5) Economic or 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 lack of investment. These conditions have fostered a state of economic obsolescence as the property will soon become unmarketable because of its condition, and will further become an economic burden to the City. Deterioration and subsequent obsolescence of the Area has contributed to the lack of physical maintenance and 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, the Building. The Area's physical condition, combined with the vacancy of the Building, diminishes its potential to generate property tax revenues for the City up to its full potential.

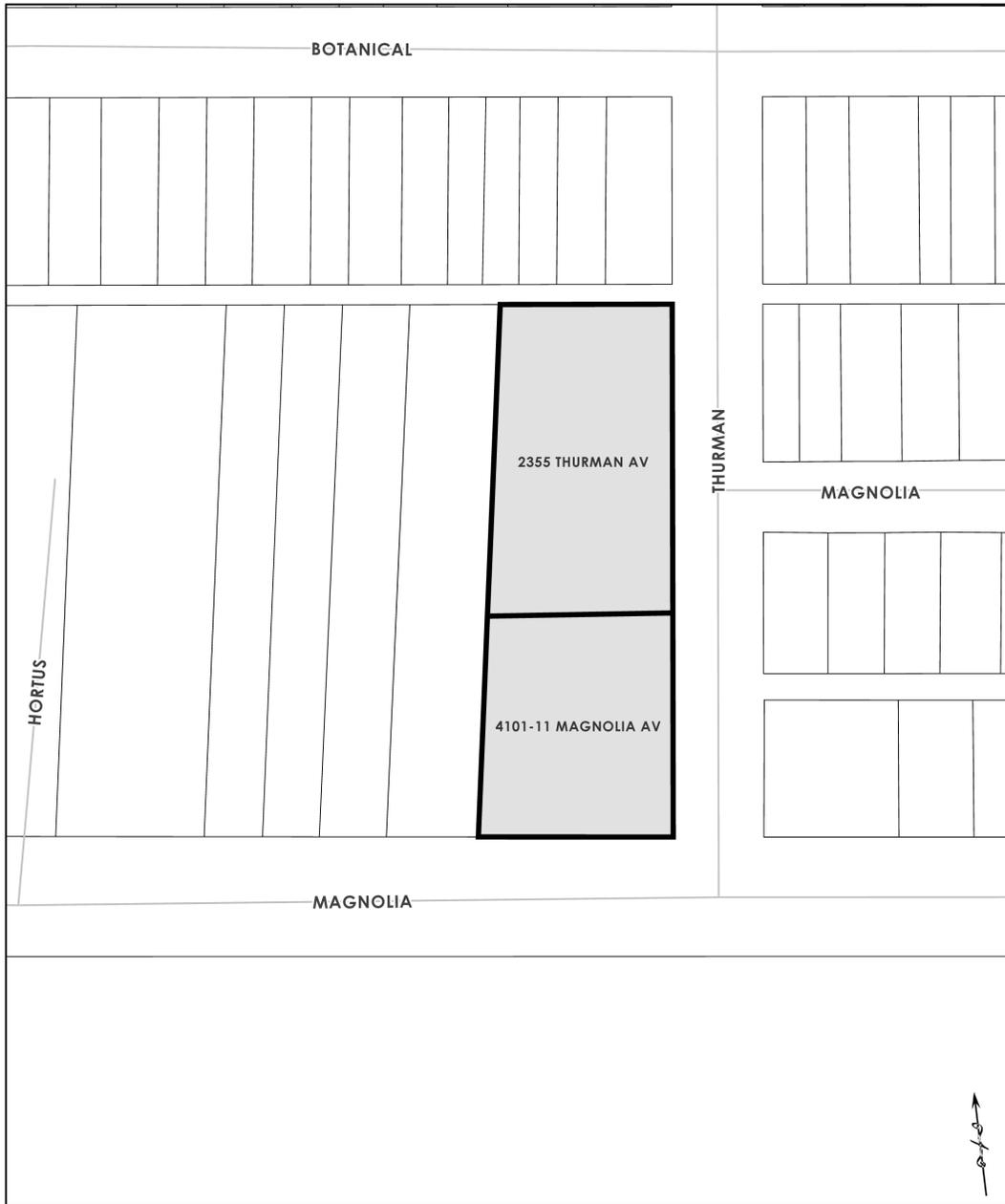
Without the comprehensive redevelopment of the Area, its physical condition will continue to deteriorate and its economic efficiency will continue to decline.

The physical condition of and resulting lack of reinvestment in the Area have resulted in economic underutilization.

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 contribute to the growth of the City.

Exhibit 1
Map of the Area

MAGNOLIA-THURMAN TIF REDEVELOPMENT AREA
ST. LOUIS, MISSOURI



 MAGNOLIA-THURMAN TIF REDEVELOPMENT AREA

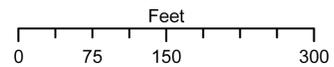


Exhibit 2
Photographs of Conditions in the Area



2355 Thurman Avenue
From Thurman facing South



2355 Thurman Avenue
East Side of Building



2355 Thurman Avenue
North Side of Building



2355 Thurman Avenue
West Side of Building



2355 Thurman Avenue
West Side of Building



2355 Thurman Avenue



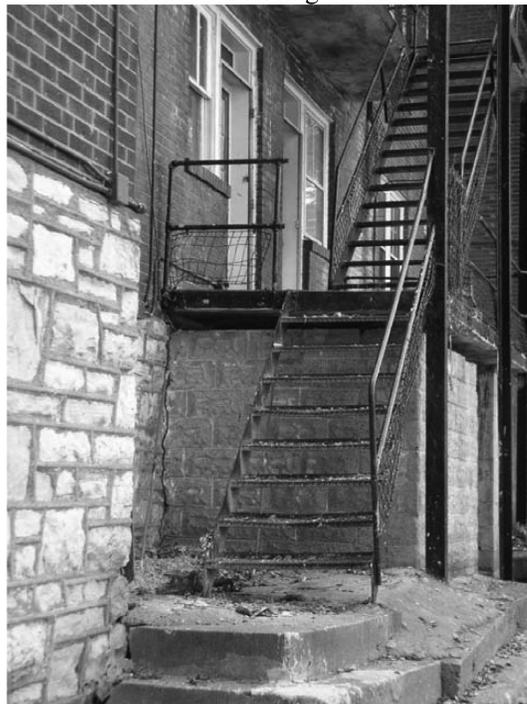
2355 Thurman Avenue
South Side of Building



4101 Magnolia
From Thurman facing South



4101 Magnolia
West side of Building on Thurman



4101 Magnolia
Fire Escape on North side of Building



4101 Magnolia
Fire Escapes and Walkway on North side of Building



4101 Magnolia
Walkway on North side of Building



4101 Magnolia
Foundation on West side of Building



4101 Magnolia
Window and Foundation on West side of Building



4101 Magnolia
Foundation on West side of Building



4101 Magnolia
West Side of Building



4101 Magnolia
Boarded Windows – West Side of Building



4101 Magnolia
South side/front of Building



4101 Magnolia
South side/front of Building



4101 Magnolia
South side/front of Building



4101 Magnolia
South side/front of Building



4101 Magnolia
South side/front of Building



4101 Magnolia
South side/front of Building



4101 Magnolia
South side/front of Building



4101 Magnolia
Front walkway

**APPENDIX 4
MAGNOLIA-THURMAN TIF REDEVELOPMENT PLAN
ANTICIPATED REDEVELOPMENT PROJECT SCHEDULE**

First TIF Commission Meeting ((\$5,000 Application fee due)	9/12/07
Submit Redevelopment Plan to TIF Commission (at least 45 days prior to public hearing)	9/15/07
Mailing of Notice of TIF Commission Public Hearing to Taxing Districts (not less than 45 days prior to hearing) (RSMo. 99.830.3)	9/14/07
First Publication of Notice of TIF Commission Public Hearing (not more than 30 days prior to hearing) (RSMo. 99.830.1)	10/2/07
Written Notice to Property Owners (not less than 10 days prior to public hearing) (RSMo. 99.830.3)	10/19/07
Second Publication of Notice of TIF Commission Public Hearing (not more than 10 days prior to public hearing) (RSMo. 99.830.1)	10/23/07
Public Hearing by TIF Commission (RSMO. '99.825)	10/31/07
TIF Commission Recommendation to Board of Aldermen (within 90 days of TIF Public Hearing) (RSMo. 99.820.3)	10/31/07
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])	11/2/07
HUDZ Committee Hearing on TIF Ordinances	11/7/ 07
Second Reading of TIF Ordinances	11/9/07
Perfection of Board Bill(s)	11/16/07
Board of Estimate & Apportionment	TBD
Third Reading and Final Passage of TIF Ordinances	11/30/07
Mayor Signs Bills	12/11/07
Full Construction Commences	3/1/08
Construction Complete	12/1/09

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

CURRENT ASSESSED VALUE

<u>Street Address</u>	<u>Tax ID</u>	<u>Equalized Assessed Value</u>
2355 Thurman	49250002500	\$ 11,500
4101 Magnolia	49250002600	\$169,120

HISTORY OF ASSESSED VALUE

TERM	AV*	% CHANGE
2002	\$103,090	0.0%
2003	\$95,280	-7.6%
2004	\$95,280	0.0%
2005	\$181,980	90.99%
2006	\$181,980	0.0%

*2355 Thurman was tax-exempt through 2007.

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

APPENDIX 6
MAGNOLIA-THURMAN TIF REDEVELOPMENT PLAN
DEVELOPER'S AFFIDAVIT

STATE OF MISSOURI)
)
COUNTY 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 Magnolia-Thurman Tax Increment Financing Redevelopment Plan, initially dated September 14, 2007 (the "Redevelopment Plan").

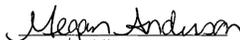
1. I am a duly authorized representative of Magnolia-Thurman, L.L.C. (the "Developer") and am authorized by the Developer to attest to the matters set forth herein.
2. I am familiar with the Redevelopment Area described in the Redevelopment Plan. In my opinion, based on the factors set forth in the Redevelopment 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.

Magnolia-Thurman, L.L.C.
a Missouri limited liability company

By: 
Name: Richard Yockey
Title: Member

Subscribe and sworn to before me this 13th day of September 2007.


Notary Public

My Commission Expires: _____



APPENDIX 7
MAGNOLIA-THURMAN TIF REDEVELOPMENT PLAN
EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS

700 Corporate Park Drive
Clayton, MO 63105
Phone: (314) 727-7070
Fax: (314) 746-0175
www.mySouthwestBank.com



October 24, 2007

Rick Yackey
706 Demun
St. Louis, MO 63105

Re: Proposed Magnolia-Thurman TIF Redevelopment Project

Dear Rick:

The purpose of this letter is to evidence the initial commitment of Southwest Bank of St. Louis to provide financing for your proposed project involving the redevelopment of the property within the proposed Magnolia-Thurman TIF Redevelopment Area, in the City of St. Louis, Missouri (the "Project"), subject to final review and approval of our Loan Committee.

As we have discussed, financing of this Project would not be feasible without the assistance of tax increment financing. Therefore, please be advised that we are excited to provide financing for the Project should the City of St. Louis approve the necessary tax increment financing.

Sincerely,

Stuart S. Noel
Commercial Banking Officer

APPENDIX 8
MAGNOLIA-THURMAN TIF REDEVELOPMENT AREA
ST. LOUIS, MISSOURI
GENERAL LAND USES TO APPLY



Approved: April 24, 2008