

1 AN ORDINANCE RECOMMENDED BY THE BOARD OF ESTIMATE
2 AND APPORTIONMENT AUTHORIZING THE CITY OF ST. LOUIS,
3 MISSOURI TO ASSIGN TIF REVENUES AND MUNICIPAL REVENUES
4 ATTRIBUTABLE TO THE SOUTHTOWN REDEVELOPMENT AREA
5 FOR THE PURPOSE OF PAYING THE PRINCIPAL AND INTEREST
6 ON CERTAIN BONDS TO BE ISSUED BY THE INDUSTRIAL
7 DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS,
8 MISSOURI; AUTHORIZING THE CITY TO EXECUTE CERTAIN
9 DOCUMENTS RELATED THERETO; AND AUTHORIZING AND
10 DIRECTING THE TAKING OF OTHER ACTIONS AND APPROVAL
11 AND EXECUTION OF OTHER DOCUMENTS AS NECESSARY OR
12 DESIRABLE TO CARRY OUT AND COMPLY WITH THE INTENT
13 HEREOF.

14 WHEREAS, the City of St. Louis, Missouri (the “*City*”) is authorized and empowered
15 under the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to
16 99.865, inclusive, of the Revised Statutes of Missouri (2000), as amended (the “*TIF Act*”), to
17 issue notes for the purpose of providing funds to finance the costs of certain redevelopment
18 projects and to pay certain costs related to the issuance of such notes; and

19 WHEREAS, pursuant to Ordinance No. 65937 approved August 3, 2003 (the
20 “*Approving Ordinance*”), the City (a) approved a redevelopment plan attached thereto (the
21 “*Redevelopment Plan*”) for redevelopment of a certain area within the City of St. Louis,
22 Missouri (the “*Redevelopment Area*”), (b) adopted the redevelopment project described in the

1 Redevelopment Plan (the “**Redevelopment Project**”), (c) adopted tax increment financing within
2 the Redevelopment Area, and (d) established the “City of St. Louis, Missouri, Special Allocation
3 Fund for the Southtown Redevelopment Project” (the “**Special Allocation Fund**”); and

4 **WHEREAS**, pursuant to Ordinance No. 65938 approved August 3, 2003 (the
5 “**Authorizing Ordinance**”), the City designated Southtown Realty, LLC as developer of the
6 Redevelopment Area (the “**Developer**”), and approved the execution of a Redevelopment
7 Agreement by and between the City and the Developer dated as of August 15, 2003, and
8 amended by that First Amendment to Redevelopment Agreement dated as of [November 24,
9 2005] (collectively, the “**Redevelopment Agreement**”); and

10 **WHEREAS**, on August 22, 2003, the Board of Aldermen of the City adopted Ordinance
11 No. 65972 (the “**Note Ordinance**”), authorizing the issuance of its Tax Increment Financing
12 Note (Southtown Redevelopment Project) in an aggregate principal amount not to exceed
13 \$7,500,000 (the “**Note**”); and

14 **WHEREAS**, pursuant to the Note Ordinance, the Note is payable solely from the TIF
15 Revenues (hereinafter defined) deposited in the Special Allocation Fund; and

16 **WHEREAS**, the Note was initially issued on March 30, 2005, and is currently
17 outstanding in an aggregate principal amount of \$7,500,000, plus accrued interest; and

18 **WHEREAS**, the Board of Directors of The Industrial Development Authority of the City
19 of St. Louis, Missouri (the “**Authority**”) will consider a resolution (the “**Bond Resolution**”)
20 authorizing the issuance of up to \$7,500,000, aggregate principal amount of Tax Increment
21 Refunding Revenue Bonds, Series 2006 (Southtown Redevelopment Project) (the “**Bonds**”)
22 pursuant to a certain Trust Indenture between the Authority and the trustee named therein (the

1 “*Trustee*”) for the purposes of refunding a portion of the Note, funding capitalized interest on the
2 Bonds, funding a debt service reserve fund, and paying the costs of issuance of the Bonds; and

3 **WHEREAS**, the City desires to refund a portion of the Note in order to expedite the
4 retirement of all TIF obligations issued under the Redevelopment Plan; and

5 **WHEREAS**, the Board of Aldermen of the City hereby finds it is advisable, necessary
6 and in the best interests of the City to refund a portion of the Note with the proceeds of the
7 Bonds, and to direct the TIF Revenues and Municipal Revenues (as hereinafter defined) to
8 payment of the principal of and interest on the Bonds.

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

10 **Section 1. Definitions.**

11 “*Economic Activity Taxes*” means fifty percent of the total additional revenues from
12 taxes imposed by the City or other taxing districts (as that term is defined in Section 99.805(16)
13 of the TIF Act) and which are generated by economic activities within Redevelopment Area over
14 the amount of such taxes generated by economic activities within Redevelopment Area in the
15 calendar year ending December 31, 2002, as defined and described in Sections 99.805(4) and
16 99.845 of the TIF Act, but excluding therefrom personal property taxes, taxes imposed on sales
17 or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or
18 special assessments, taxes levied pursuant to Section 70.500, RSMo., as amended, and taxes
19 levied for the purpose of public transportation pursuant to Section 94.660, RSMo., as amended,
20 all as provided in Section 99.845 of the TIF Act, as amended from time to time.

21 “*Municipal Revenues*” means, while tax increment financing remains in effect and,
22 subject to annual appropriation, the total additional revenue from taxes, penalties and interest
23 that do not otherwise constitute TIF Revenues hereunder, and which are imposed by the City and

1 are generated by economic activities within the area of the Redevelopment Project over the
2 amount of such taxes generated by economic activities within the area of the Redevelopment
3 Project in the calendar year ended December 31, 2002, while tax increment financing remains in
4 effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping
5 rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of
6 the Revised Statutes of Missouri, as amended, or taxes levied for the purpose of public
7 transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended,
8 licenses, fees or special assessments other than payments in lieu of taxes and penalties and
9 interest thereon.

10 “*Payments in Lieu of Taxes*” means those payments in lieu of taxes (as defined in
11 Sections 99.805(10) and 99.845 of the TIF Act), if any, attributable to the increase in the current
12 equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the
13 Redevelopment Area over and above the certified total initial equalized assessed valuation of the
14 real property in the Redevelopment Area, as provided for by Section 99.845 of the TIF Act.

15 “*Special Allocation Fund*” means the City’s Special Allocation Fund created for the
16 Redevelopment Area by the Approving Ordinance in accordance with Section 99.845 of the TIF
17 Act.

18 “*TDD Revenues*” means all revenues of the TDD Sales Tax (less the District’s reasonable
19 operating costs, not to exceed \$15,000 for calendar year 2006, and \$15,000 annually thereafter,
20 payable semiannually and less the City’s one percent (1%) collection fee) that have been
21 appropriated by the District to the payment of the Bonds, but not including (i) any amount paid
22 under protest until the protest is withdrawn or resolved against the taxpayer and (ii) any sum

1 received by the District which is the subject of a suit or other claim communicated to the District,
2 which suit or claim challenges the collection of such sum.

3 “*TIF Monitor*” means an urban planner, urban consultant or certified public accountant,
4 or firm of urban planners, urban consultants or certified public accountants selected according to
5 the Indenture and who periodically reviews the method of calculating and the calculations
6 regarding TIF Revenues on deposit in the Special Allocation Fund, Municipal Revenues and
7 TDD Revenues.

8 “*TIF Revenues*” means: (1) payments in lieu of taxes (as that term is defined in
9 Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed
10 valuation of each taxable lot, block, tract, or parcel of real property located within the
11 Redevelopment Area over and above the initial equalized assessed value (as that term is used and
12 described in Section 99.845.1 of the TIF Act) of each such unit of property, as paid to the City
13 Treasurer by the City Collector of Revenue during the term of the Redevelopment Plan and the
14 Southtown Redevelopment Project, and (2) fifty percent (50%) of the total additional revenues
15 from taxes which are imposed by the City or other taxing districts (as that term is defined in
16 Section 99.805(16) of the TIF Act) and which are generated by economic activities within the
17 Redevelopment Area over the amount of such taxes generated by economic activities within the
18 Redevelopment Area in the calendar year ending December 31, 2002 (subject to annual
19 appropriation by the City as provided in the TIF Act), as defined and described in
20 Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom personal property taxes,
21 taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and
22 motels, licenses, fees or special assessments, taxes levied pursuant to Section 70.500 of the
23 Revised Statutes of Missouri, as amended, and taxes levied for the purpose of public

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1 transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, all as
2 provided in Section 99.845 of the TIF Act, as amended from time to time. Notwithstanding the
3 foregoing, TIF Revenues shall not include the operating levy for school purposes imposed by or
4 any sales tax imposed by the Transitional School District of the City of St. Louis.

5 **Section 2. Findings and Determinations.** The Board of Aldermen hereby finds and
6 determines that it is necessary and in the best interests of the City to enter into: (a) a Financing
7 Agreement with the Authority for purposes of directing the TIF Revenues, Municipal Revenues
8 and TDD Revenues to payment of the Bonds (the “*Financing Agreement*”) attached hereto as
9 **Exhibit A** and incorporated herein by reference; (b) a Continuing Disclosure Agreement with
10 UMB Bank, N.A., as dissemination agent, for purposes of providing information for the benefit
11 of the Owners and Beneficial Owners of the Bonds and in order to assist the Participating
12 Underwriter in complying with the requirements of the rules of continuing disclosure (the
13 “*Disclosure Agreement*”) attached hereto as **Exhibit B** and incorporated herein by reference;
14 and (c) the Tax Compliance Agreement among the City, the Authority and the Trustee pertaining
15 to the use and investment of the proceeds of the Bonds and the establishment and maintenance of
16 the tax-exempt status thereof, attached hereto as **Exhibit C** and incorporated herein by reference
17 (the “*Tax Agreement*,” and with the Financing Agreement and the Disclosure Agreement, the
18 “*Bond Documents*”).

19 **Section 3. Nature of Obligations.** The Bonds and the interest thereon shall not
20 constitute an indebtedness of the City, the Authority, or the State of Missouri within the meaning
21 of any constitutional or statutory debt limitation or restriction. The City has authorized and
22 requested that the Authority designate the Bonds as special, limited obligations of the Authority.
23 The obligation of the City to make payments of Economic Activity Taxes and Municipal

1 Revenues is subject to annual appropriation pursuant to Section 4 hereof. The taxing power of
2 the City is not pledged to the payment of the Bonds either as to principal or interest or to the
3 payment of TIF Revenues under any financing agreement related thereto.

4 **Section 4. Appropriating, Pledging and Assigning of Certain Revenues.** The City
5 hereby pledges to transfer all Payments in Lieu of Taxes and, subject to annual appropriation, all
6 Economic Activity Taxes and Municipal Revenues to the Trustee in accordance with the
7 hereinafter approved the Financing Agreement. The City covenants and agrees that the officer of
8 the City at any time charged with the responsibility of formulating budget proposals is hereby
9 directed to include in the budget proposal submitted to the Board of Aldermen of the City for
10 each fiscal year that the Bonds are Outstanding a request for an appropriation of the Economic
11 Activity Taxes on deposit in the Special Allocation Fund and all Municipal Revenues.

12 **Section 5. Reporting of Revenue Data.** The City hereby agrees that it shall provide
13 to the TIF Monitor (a) on a monthly basis, a report of all sales tax revenues (that are Economic
14 Activity Taxes) received for the previous month; (b) on a monthly basis, a report on all
15 Municipal Revenues received from the previous month; and (c) on a quarterly basis, a report of
16 all Economic Activity Taxes (that are not sales tax revenues) and Payments in Lieu of Taxes
17 received for the previous quarter. In addition, the City agrees to cooperate with the TIF Monitor
18 for verification of calculations and deposits of the TIF Revenues.

19 **Section 6. Authority and Direction to Execute and Deliver City Documents.** The
20 City is hereby authorized to enter into, and the Mayor and the Comptroller and such other
21 officers of the City as are appropriate are hereby authorized and directed to execute, seal, attest
22 and deliver, for and on behalf of and as the act and deed of the City the Bond Documents, each
23 with such changes as shall be approved by the City Counselor and by the appropriate officers of

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1 the City executing such documents, such officers' signatures thereon being conclusive evidence
2 of their approval thereof. The Mayor, the Comptroller, and other appropriate officers, agents and
3 employees of the City, with the advice and concurrence of the City Counselor, are hereby further
4 authorized and directed to participate with the Authority and the underwriter of the Bonds in the
5 preparation of the preliminary Official Statement and final Official Statement, and to execute and
6 deliver such continuing disclosure agreements as are necessary and desirable in order to assist
7 the underwriter of the Bonds in complying with Rule 15c2-12 of the Securities and Exchange
8 Commission. All documents, certificates and instruments approved in this Section are
9 collectively referred to herein as the "City Documents."

10 **Section 7. Further Authority.** The Mayor, the Comptroller, the Treasurer (as to
11 permitted investments only) and other appropriate officers, agents and employees of the City are
12 hereby authorized to take such further actions and execute such other documents as may be
13 necessary or desirable to carry out and comply with the intent of this Ordinance, and to carry out,
14 comply with and perform the duties of the City with respect to the City Documents.

15 **Section 8. Severability.** It is hereby declared to be the intent of the Board of
16 Aldermen that each and every part, section and subsection of this Ordinance shall be separate
17 and severable from each and every other part, section and subsection hereof and that the Board
18 of Aldermen intends to adopt each said part, section and subsection separately and independently
19 of any other part, section and subsection. In the event that any part, section or subsection of this
20 Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining
21 parts, sections and subsections shall be and remain in full force and effect, unless the court
22 making such finding shall determine that the valid portions standing alone are incomplete and are
23 incapable of being executed in accord with the legislative intent.

1 **Section 9. Construction.** In the event of any inconsistency between the provisions
2 of this Ordinance and the provisions of any prior ordinances, the provisions of this Ordinance
3 shall prevail.

4 **Section 10. Governing Law.** This Ordinance shall be governed exclusively by and
5 construed in accordance with the applicable laws of the State of Missouri.

EXHIBIT A
FORM OF FINANCING AGREEMENT

(Attached hereto.)

EXHIBIT B
FORM OF CONTINUING DISCLOSURE AGREEMENT

(Attached hereto.)

EXHIBIT C
FORM OF TAX COMPLIANCE AGREEMENT

(Attached hereto.)