

1 **AN ORDINANCE RECOMMENDED BY THE BOARD OF**
2 **ESTIMATE AND APPORTIONMENT AUTHORIZING AND**
3 **DIRECTING THE ISSUANCE AND DELIVERY OF NOT**
4 **TO EXCEED \$2,500,000 PLUS ISSUANCE COSTS**
5 **PRINCIPAL AMOUNT OF TAX INCREMENT REVENUE**
6 **NOTES (GRAND AND SHENANDOAH REDEVELOPMENT**
7 **PROJECT), OF THE CITY OF ST. LOUIS, MISSOURI;**
8 **PRESCRIBING THE FORM AND DETAILS OF SUCH**
9 **NOTES AND THE COVENANTS AND AGREEMENTS**
10 **MADE BY THE CITY TO FACILITATE AND PROTECT**
11 **THE PAYMENT THEREOF; AND PRESCRIBING OTHER**
12 **MATTERS RELATING THERETO.**

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

16 **WHEREAS**, the Real Property Tax Increment Allocation Redevelopment Act, Sections
17 99.800 through 99.865, Revised Statutes of Missouri, (the “TIF Act” or “Act”), authorizes the
18 City to undertake redevelopment projects within designated areas of the City; and

19 **WHEREAS**, staff and consultants of the City and Pelican Court Development Corporation,
20 a Missouri corporation (the “Developer”), prepared a plan for redevelopment titled “Grand and
21 Shendoah TIF Redevelopment Plan” dated November 22, 2006, with amendments, if any, (the
22 “Redevelopment Plan”), for an area located at 2232 South Grand Boulevard and 2254-56 South
23 Grand Boulevard in south St. Louis (the “Redevelopment Area” or “Area”), which
24 Redevelopment Area is more fully described in the Redevelopment Plan, such legal description
25 being attached hereto and incorporated herein as Exhibit A; and

26 **WHEREAS**, on April 11, 2007, the TIF Commission found that completion of the
27 Redevelopment Project would provide a substantial and significant public benefit through the

1 elimination of blight, strengthening of the employment and economic base of the City, increased
2 property values and tax revenues, stabilization of the Redevelopment Area, and facilitation of
3 economic stability for the City as a whole, and further found that without the assistance of tax
4 increment financing in accordance with the TIF Act, the Redevelopment Project is not
5 financially feasible and would not otherwise be completed; and

6 **WHEREAS**, on _____, 2007, after due consideration of the TIF
7 Commission’s recommendations, the City adopted: (1) Ordinance No. _____ [Board Bill
8 No. ____] designating the Redevelopment Area as a “redevelopment area” as provided in the TIF
9 Act, approving the Redevelopment Plan, and approving the redevelopment project described in
10 the Redevelopment Plan, adopting tax increment allocation financing within the Redevelopment
11 Area, and establishing the Special Allocation Fund; and (2) Ordinance No. _____ [Board
12 Bill No. ____] authorizing the City to enter into a redevelopment agreement with Developer; and

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

16 **WHEREAS**, the City desires to issue, from time to time, its Tax Increment Revenue
17 Notes (Grand and Shenandoah Redevelopment Project), (the “TIF Notes” or “Notes”), to provide
18 funds for the aforesaid purpose, said Notes being payable solely from certain proceeds deposited
19 into the Special Allocation Fund; and

20 **WHEREAS**, the City has determined that it is in the best interest of the City to sell the
21 Notes from time to time at a private sale, without advertisement, to the Original Purchaser at a
22 price equal to 100% of their face value; and

23 **WHEREAS**, it is hereby found and determined that it is necessary and advisable and in
24 the best interest of the City and of its inhabitants that the Notes be issued and secured in the form
25 and manner as hereinafter provided to carry out the Redevelopment Project.

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

1 “Available Revenues” means all monies on deposit from time to time (including
2 investment earnings thereon) in (a) the PILOTS Account; and (b) subject to annual
3 appropriation, the EATS Account that have been appropriated to the repayment of TIF Notes,
4 excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the
5 taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim
6 communicated to the City which suit or claim challenges the collection of such sum. Available
7 Revenues shall also include any revenues on deposit in the CID Revenues Account (as such term
8 is defined in the Redevelopment Agreement).

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

14 “Certificate of Commencement of Construction” means a document substantially in the
15 form of Exhibit C to the Redevelopment Agreement, delivered by the Developer to the City in
16 accordance with the Redevelopment Agreement and evidencing commencement of construction
17 of the Redevelopment Project.

18 “Certificate of Reimbursable Redevelopment Project Costs” means a document
19 substantially in the form of Exhibit D to the Redevelopment Agreement provided by the
20 Developer to the City in accordance with Redevelopment Agreement evidencing Reimbursable
21 Redevelopment Project Costs incurred by the Developer.

22 “Certificate of Substantial Completion” means a document substantially in the form of
23 Exhibit E, to the Redevelopment Agreement, issued by the Developer to the City in accordance
24 with the Redevelopment Agreement and evidencing the Developer’s satisfaction of all
25 obligations and covenants to construct the Redevelopment Project in accordance with the
26 Redevelopment Plan and the Redevelopment Agreement.

1 “City” means the City of St. Louis, Missouri, a body corporate and political subdivision
2 duly authorized and existing under its charter and the Constitution and laws of the State of
3 Missouri.

4 “Debt Service Fund” means the fund by that name created in **Section 4.1** of this
5 Ordinance.

6 “Developer” means Pelican Court Development Corporation, a corporation duly
7 organized and existing under the laws of the State of Missouri, or its permitted successors or
8 assigns in interest.

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

11 “EATs Account” means the Economic Activity Tax Account of the Revenue Fund of the
12 Special Allocation Fund.

13 “Finance Officer” means the Comptroller of the City or her authorized agent.

14 “Issuance Costs” means all costs reasonably incurred by the City in furtherance of the
15 issuance of TIF Notes, including without limitation, the fees and expenses of financial advisors
16 and consultants, the City’s attorneys (including issuer’s Counsel, disclosure Counsel, and Bond
17 Counsel), the City’s administrative fees and expenses (including fees and costs of its planning
18 consultants and the St. Louis Development Corporation), underwriters’ discounts and fees, if
19 any, the costs of printing any TIF Notes and any official statements relating thereto, the costs of
20 credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating
21 agency rating any TIF Notes.

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

24 “Ordinance” or “Note Ordinance” means this Ordinance as from time to time amended in
25 accordance with the terms hereof.

1 “Original Purchaser” means the Developer, a Related Entity, a Qualified Institutional
2 Buyer or a Project Lender; provided, however, that any such Related Entity or Project Lender
3 shall also qualify as an Approved Investor and shall be designated in writing by the Developer as
4 the Original Purchaser.

5 “Owner” or “Registered Owner” means, when used with respect to any TIF Note, the
6 person in whose name such TIF Note is registered.

7 “Payment Date” means, with respect to any TIF Note, each March 1 and September 1,
8 commencing on the first March 1 or September 1 that immediately succeeds the City’s
9 acceptance of a Certificate of Substantial Completion for the Redevelopment Project.

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

12 “PILOTs Account” means the Payments in Lieu of Taxes Account of the Special
13 Allocation Fund.

14 “Project Fund” means the fund by that name created in **Section 4.1** of this Ordinance.

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

19 “Qualified Institutional Buyer” means a “qualified institutional buyer” under Rule 144A
20 promulgated Securities Act of 1933.

21 “Redevelopment Agreement” or “Agreement” means that certain Redevelopment
22 Agreement dated as of _____, 2007, between the City and the Developer, as may be
23 amended from time to time.

24 “Redevelopment Area” means the real property legally described and set forth on Exhibit
25 A, attached hereto and incorporated herein by reference.

1 “Redevelopment Plan” means the plan titled “Grand and Shenandoah TIF
2 Redevelopment Plan” dated November 22, 2006, with amendments, if any, and as approved by
3 the City pursuant to the Approving Ordinance, as such plan may from time to time be amended
4 in accordance with the TIF Act.

5 “Redevelopment Project” or “Grand and Shenandoah Redevelopment Project” means the
6 redevelopment project identified by the Redevelopment Plan and Redevelopment Agreement.

7 “Register” or “Note Register” means the books for registration, transfer and exchange of
8 the TIF Notes kept at the office of the Finance Officer.

9 “Reimbursable Redevelopment Project Costs” means those Redevelopment Project Costs
10 for which the Developer is eligible for reimbursement in accordance with the TIF Act and in
11 accordance with the Redevelopment Agreement.

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

15 “Revenue Fund” means the fund by that name created in **Section 4.1** of this Ordinance.

16 “Special Allocation Fund” means the City of St. Louis, Missouri, Grand and Shenandoah
17 Special Allocation Fund created by Ordinance No. _____ [Board Bill No. ____] effective on
18 _____, 2007 and including the accounts and sub-accounts for the Grand and
19 Shenandoah Redevelopment Project into which TIF Revenues are from time to time deposited in
20 accordance with the TIF Act and this Agreement, including a PILOTS Account and an EATS
21 Account. The Special Allocation Fund shall also include the CID Revenues Account (as such
22 term is defined in the Redevelopment Agreement).

23 “Taxable TIF Notes” means the City’s Taxable Tax Increment Revenue Notes (Grand
24 and Shenandoah Redevelopment Project), Series 200_, as further described in Article II hereof.

1 “Tax-Exempt TIF Notes” means the City’s Tax-Exempt Tax Increment Revenue Notes
2 (Grand and Shenandoah Redevelopment Project), Series 200_, as further described in Article II
3 hereof.

4 “TIF Notes” means one or more series not to exceed \$2,500,000 plus Issuance Costs Tax
5 Increment Revenue Notes (Grand and Shenandoah Redevelopment Project), Series 200_ issued
6 by the City pursuant to and subject to the Redevelopment Agreement and this Ordinance in
7 substantially the form set forth in **Exhibit B**, attached hereto and incorporated herein by
8 reference.

9 “TIF Revenues” means: (1) payments in lieu of taxes (as that term is defined in
10 Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed
11 valuation of each taxable lot, block, tract, or parcel of real property located within the
12 Redevelopment Area over and above the initial equalized assessed value (as that term is used and
13 described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as
14 paid to the City Treasurer by the City Collector of Revenue during the term of the
15 Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by
16 the Board of Aldermen, fifty percent (50%) of the total additional revenues from taxes which are
17 imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the
18 TIF Act) and which are generated by economic activities within the Redevelopment Area over
19 the amount of such taxes generated by economic activities within the Redevelopment Area in the
20 calendar year ending December 31, 2006 (subject to annual appropriation by the City as
21 provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF
22 Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for
23 sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to
24 Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of
25 public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as
26 amended, and licenses, fees or special assessments other than payments in lieu of taxes and
27 penalties and interest thereon, all as provided in Section 99.845 of the TIF Act. Notwithstanding
28 the foregoing, TIF Revenues shall not include the operating levy for school purposes imposed by
29 or any sales tax imposed by the Transitional School District of the City of St. Louis.

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1 appropriate particular designation added to or incorporated in such title for the TIF Notes of any
2 particular series as the City may determine.

3 (b) Form of TIF Notes. The TIF Notes shall be substantially in the form set
4 forth in **Exhibit B**, attached hereto and incorporated herein by reference, with such appropriate
5 variations, omissions and insertions as are permitted or required by this Ordinance, and may have
6 endorsed thereon such legends or text as may be necessary or appropriate to conform to any
7 applicable rules and regulations of any governmental authority or any usage or requirement of
8 law with respect thereto.

9 (c) Terms of TIF Notes. The TIF Notes shall mature (subject to redemption
10 and payment prior to maturity as provided in Article III hereof), on the date that is twenty-three
11 (23) years after the effective date of the Approving Ordinance. Each TIF Note shall bear interest
12 at a fixed rate per annum determined on the date that is not less than ten (10) and not more than
13 sixty (60) business days prior to the scheduled closing date for issuance of the TIF Notes (the
14 “Pricing Date”) based on the municipal yield curve for general obligation bonds (the “MMD”)
15 compiled by Municipal Market Data Line ® (or its successors) and published by Thompson
16 Financial, an operating unit of The Thomson Corporation (or its successors) using the MMD
17 yield published as of the Issuance Date for general obligation bonds rated “AAA” that mature in
18 the same year as the TIF Notes, (i) plus four percent (4%) if the interest on such TIF Note, in the
19 opinion of Bond Counsel, is not exempt from Federal income taxation (the “Taxable Rate”), or
20 (ii) plus two percent (2%) if the interest on such TIF Note, in the opinion of Bond Counsel, is
21 exempt from Federal income taxation (the “Tax Exempt Rate”); provided, in no event shall the
22 interest rate on the TIF Notes exceed ten percent (10%) per annum. All TIF Notes shall have a
23 stated maturity of the Maturity Date. Interest shall be computed on the basis of a 360-day year
24 of twelve 30-day months. The TIF Notes shall bear interest from their registration date or from
25 the most recent Payment Date to which interest has been paid or duly provided for.

26 (d) Denominations. The TIF Notes shall be issuable as fully registered TIF
27 Notes in Authorized Denominations.

28 (e) Numbering. Unless the City directs otherwise, each series of TIF Notes
29 shall be numbered from R-1 upward.

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1 (f) Dating. The TIF Notes shall be dated as provided in **Section 2.7**, as
2 evidenced by the Finance Officer's signature on Schedule A to each TIF Note.

3 (g) Evidence of Principal Payments. The payment of principal of the TIF
4 Notes on each Payment Date shall be noted on the TIF Notes on **Schedule A** thereto. The
5 original **Schedule A** to the TIF Note shall be held by the Finance Officer in trust, unless
6 otherwise directed in writing by the Owners thereof. If such **Schedule A** is held by the Finance
7 Officer, the Finance Officer shall, on each Payment Date, send a revised copy of Schedule A via
8 facsimile to the Owner. Absent manifest error, the amounts shown on Schedule A held by the
9 Finance Officer shall be conclusive evidence of the principal amount paid on the TIF Notes.

10 (h) Sale of TIF Notes. When TIF Notes have been executed and authenticated
11 as required by this Ordinance, the Finance Officer shall hold the TIF Notes in trust or, if directed
12 in writing by the Owners thereof, deliver the TIF Notes to or upon the order of the Owners
13 thereof, as provided in paragraph (g) above, but only upon payment to the City of a purchase
14 price equal to one hundred percent (100%) of the face amount of the TIF Notes, which payment
15 shall be deemed to have occurred under the circumstances described in **Section 4.5** of this
16 Ordinance.

17 **Section 2.3 Finance Officer to Serve as Paying Agent and Registrar.** The Finance
18 Officer or the authorized representative thereof is hereby designated as the paying agent for the
19 payment of principal of and interest on the TIF Notes and the bond registrar with respect to the
20 registration, transfer and exchange of the TIF Notes and for allocating and holding funds as
21 provided herein.

22 **Section 2.4 Security for TIF Notes.** All TIF Notes shall be equally and ratably
23 secured by Available Revenues. The TIF Notes shall be special, limited obligations of the City
24 payable solely from and secured as to the payment of principal and interest by a pledge of the
25 Available Revenues. The taxing power of the City is not pledged to the payment of the TIF
26 Notes either as to principal or interest. The TIF Notes shall not be or constitute a general
27 obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of
28 any constitutional, statutory or charter provision, limitation or restriction. **THE OBLIGATIONS**
29 **OF THE CITY WITH RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST**
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1 TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE TIF NOTES OR THE
2 MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS
3 BEEN PAID IN FULL).

4 **Section 2.5 Method and Place of Payment of TIF Notes.** The principal of and
5 interest on the TIF Notes shall be payable in any coin or currency which, on the respective dates
6 of payment thereof, is legal tender for the payment of debts due the United States of America.
7 Payment shall be made by the Finance Officer as provided in this Note Ordinance and as set
8 forth in Exhibit B. Principal and interest shall be payable by check or draft at the office of the
9 Finance Officer or by wire transfer to the person in whose name such TIF Note is registered on
10 the Register on each Payment Date.

11 **Section 2.6 Registration, Transfer and Assignment.** So long as the TIF Notes
12 remain outstanding, the City shall cause to be kept at the office of the Finance Officer books for
13 the registration, transfer and exchange of the TIF Notes as herein provided. The TIF Notes when
14 issued shall be registered in the name of the Original Purchaser thereof on the Register.

15 The TIF Notes and beneficial interest therein may only be purchased by an Original
16 Purchaser and transferred or assigned to the Developer, a Related Entity, a Qualified Institutional
17 Buyer or Project Lender upon the execution by each proposed purchaser, transferee or assignee
18 of a letter in substantially the form of **Exhibit C**, attached hereto and incorporated herein by
19 reference, stating that such Original Purchaser, transferee or assignee (i) is an Approved Investor
20 and (ii) has sufficient knowledge and experience in business and financial matters in general, and
21 investments such as the TIF Notes in particular, to enable the purchaser, transferee or assignee to
22 evaluate the risks involved in an investment in the TIF Notes. The TIF Notes may be transferred
23 and exchanged only upon the records of the City. Upon surrender of a TIF Note to the Finance
24 Officer, the Finance Officer shall transfer or exchange the TIF Notes for a new TIF Note or TIF
25 Notes, which shall be (i) in the form of fully registered Notes without coupons in minimum
26 denominations of One Thousand Dollars (\$1,000), except with respect to the TIF Notes issued
27 upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project
28 Costs, which TIF Notes may be issued in any denomination, subject to the limitation on the
29 aggregate principal amount, and (ii) of the same Maturity Date and in the same aggregate

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1 principal amount outstanding as the TIF Note which was presented for transfer or exchange. The
2 TIF Notes presented for transfer or exchange shall be accompanied by a written instrument or
3 instruments of transfer or authorization for exchange, in a form and with guarantee of signature
4 satisfactory to the Finance Officer, duly executed by the Owner thereof or by the Owner's duly
5 authorized agent. Upon any transfer, exchange or assignment as provided in this Section, the
6 transferor shall reimburse the City for all of the reasonable out-of-pocket costs incurred by the
7 City in connection with the administration of such transfer, exchange or assignment.

8 **Section 2.7 Execution, Authentication and Delivery of the TIF Notes.** Each of the
9 TIF Notes, including any TIF Notes issued in exchange or as substitution for the TIF Notes
10 initially delivered, shall be signed by the manual or facsimile signature of the Mayor and the
11 Finance Officer of the City, attested by the manual or facsimile signature of the City Register,
12 and shall have the official seal of the City affixed thereto or imprinted thereon. If any officer
13 whose signature appears on any TIF Note ceases to be such officer before the delivery of such
14 TIF Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if
15 such person had remained in office until delivery. Any TIF Note may be signed by such persons
16 who at the actual time of the execution of such TIF Note are the proper officers to sign such TIF
17 Note although at the date of such TIF Note such persons may not have been such officers.

18 The Mayor, Finance Officer and City Register are hereby authorized and directed to
19 prepare and execute the TIF Notes as hereinbefore specified, and when duly executed, to deliver
20 the TIF Notes to the Finance Officer for authentication.

21 The TIF Notes shall have endorsed thereon a certificate of authentication substantially in
22 the form set forth in **Schedule A of Exhibit B** hereto, which shall be manually executed by an
23 authorized signatory of the Finance Officer, but it shall not be necessary that the same signatory
24 sign the certificate of authentication on all of the TIF Notes that may be issued hereunder at any
25 one time. No TIF Note shall be entitled to any security or benefit under this Ordinance or be
26 valid or obligatory for any purpose until the certificate of authentication has been duly executed
27 by the Finance Officer. Such executed certificate of authentication upon any TIF Note shall be
28 conclusive evidence that such TIF Note has been duly authenticated and delivered under this
29 Ordinance.

1 The TIF Notes shall be initially executed and authenticated by the City upon the last to
2 occur of the following: (i) acceptance or deemed acceptance of the Certificate of Substantial
3 Completion; (ii) approval of a Certificate of Reimbursable Redevelopment Project Costs; (iii)
4 receipt of an opinion of Bond Counsel regarding the taxable nature of the TIF Notes; (iv) the full
5 payment of all advances required to be paid under Section 2.2 of the Redevelopment Agreement;
6 and (v) receipt of such other documentation as the City shall reasonably require of Developer in
7 order for the City to obtain an opinion of Bond Counsel as required by this Section 5.1 of the
8 Redevelopment Agreement.

9 Upon the Developer's satisfaction of the foregoing conditions and upon approval of each
10 Certificate of Reimbursable Redevelopment Project Costs, the Finance Officer shall either: (i) at
11 the request of the City upon instructions of the Developer, endorse an outstanding TIF Note on
12 Schedule A thereto to evidence an increase in the aggregate principal amount equal to such
13 Reimbursable Redevelopment Project Costs, or (ii) at the request of the City upon instructions of
14 the Developer issue a new TIF Note in a principal amount equal to such Reimbursable
15 Redevelopment Project Costs, or any combination thereof. Each date of endorsement of each
16 such TIF Note shall be the date of acceptance by the City of each Certificate of Reimbursable
17 Redevelopment Project Costs except that the initial endorsement of each TIF Note shall be dated
18 the date of issuance of such TIF Note. Thereupon, pursuant to Section 202(h), the TIF Notes
19 shall either be held or delivered to or upon the order of the party submitting the Certificate of
20 Reimbursable Redevelopment Project Costs relating to such Notes. Upon acceptance by the City
21 of such a Certificate of Reimbursable Redevelopment Project Costs in accordance with the
22 Redevelopment Agreement and upon execution and authentication of the TIF Notes as required
23 by this Ordinance, the Developer shall be deemed to have advanced funds to the City in an
24 amount equal to the purchase price of the TIF Notes, which shall be one hundred percent (100%)
25 of the face amount of the TIF Notes, and, upon the issuance of an endorsement of the TIF Notes
26 as provided in the preceding paragraph, the City shall be deemed to have reimbursed the
27 Developer in full for such Reimbursable Redevelopment Project Costs.

28 **Section 2.8 Mutilated, Lost and Stolen TIF Notes.** If any mutilated TIF Note is
29 surrendered to the Finance Officer or the Finance Officer receives evidence to his/her
30 satisfaction of the destruction, loss or theft of any TIF Note and there is delivered to the Finance

1 Officer such security or indemnity as may be required by it to save the City and the Finance
2 Officer harmless, then, in the absence of notice to the Finance Officer that such TIF Note has
3 been acquired by a bona fide purchaser, the City shall execute and the Finance Officer shall
4 register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen TIF
5 Note, a new TIF Note with the same Maturity Date and of like tenor and principal amount. Upon
6 the issuance of any new TIF Note under this Section, the City and the Finance Officer may
7 require the payment by the Owner of a sum sufficient to cover any tax or other governmental
8 charge that may be imposed in relation thereto and any other expenses connected therewith. If
9 any such mutilated, destroyed, lost or stolen TIF Note has become or is about to become due and
10 payable, the Finance Officer may, in its discretion, pay such TIF Note instead of issuing a new
11 TIF Note.

12 **Section 2.9 Cancellation, Discharge and Abatement of TIF Notes.** All TIF Notes
13 that have been paid or redeemed or that otherwise have been surrendered to the Finance Officer,
14 either at or before the Maturity Date, shall be canceled and destroyed by the Finance Officer in
15 accordance with existing security regulations upon the payment or redemption of such TIF Note
16 and the surrender thereof to the Finance Officer. The Finance Officer shall execute a certificate
17 in duplicate describing the TIF Notes so cancelled and destroyed, and shall file an executed
18 counterpart of such certificate with the City.

19 **NOTWITHSTANDING ANY PROVISION HEREIN TO THE CONTRARY, THE**
20 **TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY**
21 **IN WHOLE OR IN PART WITHOUT PENALTY UNDER THE CONDITIONS SET**
22 **FORTH IN THE REDEVELOPMENT AGREEMENT.**

23 **ARTICLE III**

24 **REDEMPTION AND PAYMENT OF PRINCIPAL AND INTEREST**

25
26 **Section 3.1 Optional Redemption.** The TIF Notes are subject to optional redemption
27 by the City in whole at any time or in part on any Payment Date at a redemption price of 100%
28 of the principal amount of the TIF Note to be redeemed, plus accrued interest thereon to the date
29 fixed for redemption. The TIF Notes shall be called by the City for optional redemption
30 pursuant to this Section without the necessity of any action by the City other than as provided in

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1 **Section 4.3** of this Ordinance. If only a partial redemption is to occur, then each TIF Note shall
2 be redeemed in the order of maturity designated by the City, and within any maturity the TIF
3 Notes shall be redeemed in Authorized Denominations by the City in such manner as it may
4 determine. In the event of an optional redemption of the Notes, unless waived by any Registered
5 Owner of Notes to be redeemed, official notice of any redemption shall be given by the Finance
6 Officer on behalf of the City by mailing a copy of an official redemption notice by first class
7 mail, postage prepaid, at least thirty (30) days (five days if all of the Notes are owned by the
8 Developer) and not more than sixty (60) days prior to the date fixed for redemption, to each
9 Registered Owner of the Notes to be redeemed at the address shown on the Note Register.

10 All official notices of optional redemption shall be dated and shall contain the following
11 information: (a) the redemption date; (b) the redemption price; (c) if less than all outstanding
12 Notes are to be redeemed, the identification number and maturity date(s) (and, in the case of
13 partial redemption of any Notes, the respective principal amounts) of the Notes to be redeemed;
14 (d) a statement that on the redemption date the redemption price will become due and payable
15 upon each Note or portion thereof called for redemption and that interest thereon shall cease to
16 accrue from and after the redemption date; and (e) the place where such Notes are to be
17 surrendered for payment of the redemption price, which shall be the office of the Finance
18 Officer. The failure of any Registered Owner to receive notice given as heretofore provided or
19 an immaterial defect therein shall not invalidate any redemption.

20 **Section 3.2 Special Mandatory Redemption.** All TIF Notes are subject to special
21 mandatory redemption by the City on each Payment Date, at a redemption price equal to 100%
22 of the principal amount being redeemed, together with accrued interest thereon to the date fixed
23 for redemption, which amount of principal being redeemed shall be an amount equal to
24 Available Revenues then on deposit in the applicable account of the Special Allocation Fund and
25 which will not be required for the payment of interest on such Payment Date.

26 In the event of a special mandatory redemption of any Notes with a Registered Owner
27 other than Developer or a Related Entity, unless waived by such Registered Owner of Notes to
28 be redeemed, official notice of any redemption shall be given by the Finance Officer on behalf of
29 the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at

1 least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption, to
2 each Registered Owner other than Developer or a Related Entity of the Notes to be redeemed at
3 the address shown on the Note Register.

4 **Section 3.3 Selection of Notes to be Redeemed.** TIF Notes shall be redeemed only in
5 Authorized Denominations. When less than all of the outstanding TIF Notes are to be redeemed
6 and paid prior to maturity, such TIF Notes or portions of TIF Notes to be redeemed shall be
7 selected in Authorized Denominations by the Fiscal Agent in such equitable manner as it may
8 determine. In the case of a partial redemption of TIF Notes when TIF Notes of denominations
9 greater than the minimum Authorized Denomination are then outstanding, then for all purposes
10 in connection with such redemption each Authorized Denomination unit of face value shall be
11 treated as though it was a separate TIF Note of the denomination of the minimum Authorized
12 Denomination.

13 **Section 3.4 Notice and Effect of Call for Redemption.** In the event of any optional
14 or special mandatory redemption of the Notes, unless waived by any Registered Owner of Notes
15 to be redeemed, official notice of any redemption shall be given by the Finance Officer on behalf
16 of the City by mailing a copy of an official redemption notice by first class mail to each
17 Registered Owner of the Notes to be redeemed at the address shown on the Note Register.

18 All official notices of redemption shall be dated and shall contain the following
19 information:

20 (a) the redemption date;

21 (b) the redemption price;

22 (c) if less than all Outstanding Notes are to be redeemed, the identification
23 (and, in the case of partial redemption of any Notes, the respective principal amounts) of the
24 Notes to be redeemed;

25 (d) a statement that on the redemption date the redemption price will become
26 due and payable upon each Note or portion thereof called for redemption and that interest
27 thereon shall cease to accrue from and after the redemption date; and

1 (e) the place where such Notes are to be surrendered for payment of the
2 redemption price, which shall be the office of the Finance Officer.

3 The failure of any Registered Owner to receive notice given as heretofore provided or an
4 immaterial defect therein shall not invalidate any redemption. All Notes that have been
5 redeemed shall be cancelled and destroyed by the Finance Officer as provided herein and shall
6 not be reissued.

7 **ARTICLE IV**

8 **FUNDS AND REVENUES**

9
10 **Section 4.1 Creation of Funds and Accounts.** There are hereby created or ratified
11 and ordered to be established in the treasury of the City the Special Allocation Fund into which
12 all TIF Revenues shall be deposited, and within it the following separate funds and accounts:

13 (a) PILOTS Account

14 (b) an EATS Account

15 (c) a Revenue Fund and, within it, (A) (i) a PILOTs Account; and (ii) an
16 EATs Account, into which all Available Revenues shall be deposited; and (B) a sub-account of
17 the EATs Account to be named the CID Revenues Account, into which all CID Revenues shall
18 be deposited by the CID (as such term is defined in the Redevelopment Agreement) and pledged
19 to redeem TIF Obligations;

20 (d) a Debt Service Fund; and

21 (e) a Project Fund.

22 **Section 4.2 Administration of Funds and Accounts.** The Special Allocation Fund
23 and the funds and accounts established therein shall be maintained in the treasury of the City and
24 administered by the City solely for the purposes and in the manner as provided in the Act, this
25 Ordinance, the Approving Ordinance, and the Authorizing Ordinance so long as any TIF Notes
26 remain outstanding hereunder.

1 **Section 4.3 Revenue Fund.**

2 (a) On or before the date that is five (5) days prior to each Payment Date
3 while the TIF Notes remain outstanding, the City shall transfer and deposit:

4 (i) Those Available Revenues attributable to PILOTs into the PILOTs
5 Account of the Revenue Fund; and

6 (ii) Those Available Revenues attributable to EATs into the EATs
7 Account of the Revenue Fund.

8 (b) Available Revenues in the Revenue Fund shall be disbursed by the
9 Finance Officer on each Payment Date, first from the EATs Account and second from the
10 PILOTs Account for the purposes and in the amounts as follows:

11 *First*, to payment of arbitrage rebate, if any, owed with respect to the TIF Notes under
12 Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of
13 calculating arbitrage rebate;

14 *Second*, to the Comptroller of the City and the St. Louis Development Corporation
15 (which monies shall be paid one half to the Comptroller and one half to the St. Louis
16 Development Corporation), 0.2% of the Notes outstanding on each Payment Date, plus any
17 accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion
18 of the fees and expenses incurred by the City pursuant to Section 7.15 of the Agreement that
19 have not otherwise been reimbursed to the City through the issuance of TIF Notes;

20 *Third*, to the Debt Service Fund, an amount sufficient to pay all or any portion of the past
21 due interest owing as a result of prior deficiencies of moneys to pay interest due on any TIF
22 Notes on each Payment Date;

23 *Fourth*, to the Debt Service Fund, an amount sufficient to pay all or any portion of the
24 accrued interest becoming due and payable on any TIF Notes on each Payment Date;

25 *Fifth*, to the Debt Service Fund, an amount sufficient to pay the principal of any TIF
26 Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

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1 *Sixth*, all other remaining money in the PILOTs Account and the EATs Account of the
2 Special Allocation Fund shall annually be declared as surplus and distributed in the manner
3 provided in the TIF Act and/or the CID Act (as such term is defined in the Redevelopment
4 Agreement), as applicable.

5 If monies available in the Special Allocation Fund are insufficient to reimburse the City
6 as provided above on any Payment Date, then the unpaid portion shall be carried forward to the
7 next Payment Date, with interest thereon at the same rate as the tax-exempt TIF Obligations.

8 (c) Upon the payment in full of the principal of and interest on all TIF Notes
9 (or provision has been made for the payment thereof as specified in the Note Ordinance),
10 payment in full of the fees and expenses of the Comptroller and the St. Louis Development
11 Corporation, and payment in full of any other amounts required to be paid under this Ordinance,
12 all amounts remaining on deposit in the Revenue Fund shall be declared as surplus and
13 distributed in the manner provided in the Act.

14 **Section 4.4 Debt Service Fund.**

15 (a) All amounts paid and credited to the Debt Service Fund shall be expended
16 solely for (i) the payment of the principal of and interest on the TIF Notes as the same mature
17 and become due or upon the redemption thereof, said TIF Notes all being subject to special
18 mandatory redemption thereof, or (ii) to purchase Notes for cancellation prior to maturity.

19 (b) The City hereby authorizes and directs the Finance Officer to withdraw
20 sufficient moneys from the Debt Service Fund to pay the principal of and interest on the TIF
21 Notes as the same become due and payable, and to make said moneys so withdrawn available for
22 the purpose of paying said principal of and interest on the TIF Notes.

23 (c) After payment in full of the principal of and interest on the TIF Notes (or
24 provision has been made for the payment thereof as specified in this Ordinance), payment of the
25 fees and expenses of the Finance Officer, and payment of any other amounts required to be paid
26 under this Ordinance, all amounts remaining in the Debt Service Fund shall be declared as
27 surplus and distributed in the manner provided in the Act.

1 require and compel duties and obligations required by the provisions of this Ordinance or by the
2 constitution and laws of the State of Missouri;

3 (b) by suit, action or other proceedings in equity or at law to require the City,
4 its officers, agents and employees to account as if they were the trustees of an express trust; and

5 (c) by suit, action or other proceedings in equity or at law to enjoin any acts or
6 things which may be unlawful or in violation of the rights of the Owner.

7 **Section 5.2 Limitation on Rights of Owner.** The Owner secured hereby shall not
8 have any right in any manner whatever by its action to affect, disturb or prejudice the security
9 granted and provided for herein, or to enforce any right hereunder, except in the manner herein
10 provided.

11 **Section 5.3 Remedies Cumulative.** No remedy conferred herein upon the Owner is
12 intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in
13 addition to every other remedy and may be exercised without exhausting and without regard to
14 any other remedy conferred herein. No waiver of any default or breach of duty or contract by the
15 Owner shall extend to or affect any subsequent default or breach of duty or contract or shall
16 impair any rights or remedies thereon. No delay or omission of the Owner to exercise any right
17 or power accruing upon any default shall impair any such right or power or shall be construed to
18 be a waiver of any such default or acquiescence therein. Every substantive right and every
19 remedy conferred upon the Owner by this Ordinance may be enforced and exercised from time
20 to time and as often as may be deemed expedient. If any suit, action or proceedings taken by the
21 Owner on account of any default or to enforce any right or exercise any remedy has been
22 discontinued or abandoned for any reason, or has been determined adversely to the Owner, then,
23 and in every such case, the City and the Owner shall be restored to their former positions and
24 rights hereunder, respectively, and all rights, remedies, powers and duties of the Owner shall
25 continue as if no such suit, action or other proceedings had been brought or taken.

26 **ARTICLE VI**

27 **DEPOSIT AND INVESTMENT OF MONEYS**

1 Register, shall be, and they hereby are, authorized and directed to execute all documents and take
2 such actions as they may deem necessary or advisable in order to carry out and perform the
3 purposes of this Section.

4 **Section 7.3 Payments Due on Saturdays, Sundays and Holidays.** In any case where
5 the Payment Date is a Saturday, a Sunday or a legal holiday or other day that is not a business
6 day, then payment of principal or interest need not be made on such date but may be made on the
7 next succeeding business day with the same force and effect as if made on the Payment Date, and
8 no interest shall accrue for the period after such date.

9 **Section 7.4 Notices, Consents and Other Instruments.** Any notice, consent, request,
10 direction, approval, objection or other instrument required by this Ordinance to be signed and
11 executed by the Owner of the TIF Notes may be in any number of concurrent writings of similar
12 tenor and may be signed or executed by such Owner in person or by agent appointed in writing.
13 Proof of the execution of any such instrument or of the writing appointing any such agent and of
14 the ownership of the TIF Note, if made in the following manner, shall be sufficient for any of the
15 purposes of the Ordinance, and shall be conclusive in favor of the City with regard to any action
16 taken, suffered or omitted under any such instrument, namely:

17 (a) The fact and date of the execution by any person of any such instrument
18 may be proved by a certificate of any officer in any jurisdiction who by law has power to take
19 acknowledgments within such jurisdiction that the person signing such instrument acknowledged
20 before such officer the execution thereof, or by affidavit of any witness to such execution.

21 (b) The fact of ownership of the TIF Note, the amount or amounts and other
22 identification of the TIF Note, and the date of holding the same shall be proved by the
23 registration books of the City.

24 **SECTION TWO.** The City is hereby authorized to enter into and the Mayor and the
25 Finance Officer of the City are hereby authorized and directed to execute and deliver, for and on
26 behalf of and as the act and deed of the City, the TIF Notes and such other documents,
27 certificates and instruments as may be necessary or desirable to carry out and comply with the
28 intent of this Ordinance. The officers of the City, including without limitation the Mayor, the

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1 Finance Officer and the Register, are hereby authorized and directed to execute, and the City
2 Register is hereby authorized and directed where appropriate to attest, all certificates, documents
3 or other instruments, and take such actions as they may deem necessary or advisable in order to
4 carry out and perform the purposes of this Ordinance and to make ministerial alterations,
5 changes or additions in the foregoing agreements, statements, instrument and other documents
6 herein approved, authorized and confirmed which they determine to be in the City's best interest,
7 and the execution or taking of such action shall be conclusive evidence of such determination.

8 **SECTION TWO.** If any section or other part of this Ordinance, whether large or small,
9 is for any reason held invalid, the invalidity thereof shall not affect the validity of the other
10 provisions of this Ordinance.

11 **SECTION THREE.** This Ordinance shall be governed exclusively by and constructed
12 in accordance with the applicable internal laws of the State of Missouri.

13 **SECTION FOUR.** The Board of Aldermen of the City hereby declares that it is in the
14 City's best interest to sell the TIF Notes at private sale because a public sale of the TIF Notes
15 would cause additional expense to the City and because the condition of the current financial
16 markets makes such a public sale not feasible or the best course of action for the City.

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

EXHIBIT A
Legal Description of Grand and Shenandoah Redevelopment Area

BEGINNING at a point of intersection being the north right-of-way line of Shenandoah Avenue (60' wide) and the east right-of-way line of South Grand Boulevard(100' wide); thence northwardly, generally, along said east right-of-way line of said South Grand Boulevard to a point of intersection being said east right-of-way line of said South Grand Boulevard and the north property line of property known and numbered 2232 South Grand Boulevard; thence eastwardly, generally, along said north property line of said property to a change in direction of said north property line of said property to the east property line of said property; thence southwardly, generally, along said east property line of said property to a point of intersection being said east property line of said property and the east property line of property known and numbered 2254-6 South Grand Boulevard; thence southwardly, generally, along said east property line of said property to a point of intersection being said east property line of said property and said north right-of-way line of said Shenandoah Avenue; thence westwardly, generally, along said north right-of-way line of said Shenandoah Avenue to a point of intersection being said north right-of-way line of said Shenandoah Avenue and said east right-of-way line of said South Grand Boulevard, said point also being said POINT OF BEGINNING.

Said description includes all properties within the described area on record with the St. Louis City Recorder's Office including parcels 13670000101 and 13670000200.

EXHIBIT B
Form of Note

THIS TIF NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY TO THE “DEVELOPER,” A “RELATED ENTITY” A “QUALIFIED INSTITUTIONAL BUYER” OR “PROJECT LENDER,” AS DEFINED IN THE NOTE ORDINANCE, AND IN ACCORDANCE WITH THE PROVISIONS HEREOF.

UNITED STATES OF AMERICA
STATE OF MISSOURI

Registered

Registered

No. R-__

Not to Exceed \$2,500,000
plus Issuance Costs
(See **Schedule A** attached)

CITY OF ST. LOUIS, MISSOURI

[TAXABLE][TAX-EXEMPT] TAX INCREMENT REVENUE NOTE
(GRAND AND SHENANDOAH REDEVELOPMENT PROJECT)
SERIES 200__

Rate of Interest:	Maturity Date:	Dated Due:	CUSIP Number:
[__%]	_____, 2030	_____,	None

REGISTERED OWNER:

PRINCIPAL AMOUNT: See SCHEDULE A attached hereto.

The CITY OF ST. LOUIS, MISSOURI, a body corporate and a political subdivision duly organized and validly existing under its charter and the Constitution and laws of the State of Missouri (the “City”), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the Principal Amount shown from time to time on Schedule A attached hereto on the Maturity Date shown above unless called for redemption prior to the Maturity Date, and to pay interest thereon from the effective date of registration shown from time to time on Schedule A attached hereto or from the most recent Payment Date to which interest has been paid or duly provided for, at the Rate of Interest shown above computed on the basis of a 360-day year of twelve 30-day months. Interest and principal shall be payable each March 1 and September 1 (each, a “Payment Date”), commencing on the first March 1 or September 1 following the City’s acceptance or deemed acceptance of the Certificate of Substantial Completion in accordance with the Redevelopment Agreement between the City and

Pelican Court Development Corporation (the “Developer”), dated as of _____, 2007 (the “Redevelopment Agreement”), until all principal and interest accruing pursuant to this TIF Note the TIF Notes are paid in full except as otherwise provided herein. The TIF Notes shall bear interest from their registration date or from the most recent Payment Date to which interest has been paid or duly provided for.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in Ordinance No. _____ adopted by the Board of Aldermen on _____, 2007 (the “Note Ordinance”) or the Redevelopment Agreement.

THE OBLIGATIONS OF THE CITY WITH RESPECT TO THIS TIF NOTE TERMINATE TWENTY-THREE YEARS FROM THE EFFECTIVE DATE OF THE ORDINANCE APPROVING THE REDEVELOPMENT PROJECT, WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HEREON HAS BEEN PAID IN FULL. REFERENCE IS MADE TO THE NOTE ORDINANCE FOR A COMPLETE DESCRIPTION OF THE CITY’S OBLIGATIONS HEREUNDER.

Subject to the preceding paragraph, the principal of and interest on this TIF Note shall be paid at maturity or upon earlier redemption as provided in Article III of the Note Ordinance to the person in whose name this TIF Note is registered at the maturity or redemption date hereof, upon presentation and surrender of this TIF Note at the payment office of the Finance Officer of the City or her authorized agent. The principal of and interest on the TIF Notes shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of debts due the United States of America. The principal of or interest on this TIF Note shall be payable by check or draft at the office of the Finance Officer to the Registered Owner on the Register on each Payment Date. Except as otherwise provided in Section 208 of the Note Ordinance with respect to mutilated, destroyed, lost or stolen TIF Notes, no principal on the TIF Notes is payable unless the Registered Owner thereof has surrendered such TIF Notes at the office of the Finance Officer.

This TIF Note is one of an authorized series of fully registered Notes of the City designated “City of St. Louis, Missouri, [Taxable][Tax-Exempt] Tax Increment Revenue Notes (Grand and Shenandoah Redevelopment Project), Series 200__,” issued in an aggregate principal amount of not to exceed \$2,500,000 plus Issuance Costs (the “TIF Notes” or “Notes”). The TIF Notes are being issued for the purpose of paying a portion of the Redevelopment Project Costs in connection with the Redevelopment Plan, under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, of the Revised Statutes of Missouri, as amended (the “Act”), and pursuant to the Note Ordinance.

The TIF Notes and the interest thereon are and shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest, by the Available Revenues and other moneys pledged thereto and held by the Finance Officer as provided herein. “Available Revenues” means all monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account; and (b) subject to annual appropriation, the EATS Account that have been appropriated to the repayment of TIF Notes, excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the

taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

The monies on deposit in the PILOTs Account of the Special Allocation Fund are those payments in lieu of taxes (“PILOTs”), as defined in Sections 99.805(10) and 99.845 of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Area (as described in Exhibit A to the Note Ordinance) and any applicable penalty and interest over and above the initial equalized assessed value (as provided for by Section 99.855 of the Act) of such unit of property in the Redevelopment Area, as allocated and paid to the City’s Treasurer by the City’s Collector of Revenue who shall deposit such PILOTs into the Special Allocation Fund while tax increment financing remains in effect.

The monies on deposit in the EATs Account of the Special Allocation Fund are those amounts subject to annual appropriation by the Board of Aldermen, equal to fifty percent (50%) of the total additional revenues from taxes, penalties and interest which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2006 (subject to annual appropriation by the City as provided in the Act), while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, all in accordance with Section 99.845.3 of the Act, as may be amended from time to time. Notwithstanding the foregoing, EATs shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

All TIF Notes shall be equally and ratably secured by Available Revenues. The TIF Notes shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest by a pledge of the Available Revenues. The taxing power of the City is not pledged to the payment of the TIF Notes either as to principal or interest. The TIF Notes shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. **THE OBLIGATIONS OF THE CITY WITH RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE TIF NOTES OR THE MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS BEEN PAID IN FULL).**

Available Revenues shall be applied, first from the EATS Account and then from the PILOTs Account to payments on this TIF Note as follows:

First, to payment of arbitrage rebate, if any, owed with respect to the TIF Notes under Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of calculating arbitrage rebate;

Second, 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), an amount equal to 0.2% of the Notes outstanding 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 pursuant to Section 7.15 of the Agreement that have not otherwise been reimbursed to the City through the issuance of TIF Notes;

Third, to the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on any TIF Notes on each Payment Date;

Fourth, to the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any TIF Notes on each Payment Date;

Fifth, to the Debt Service Fund, an amount sufficient to pay the principal of any TIF Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

Sixth, all other remaining money in the Special Allocation Fund shall annually be declared as surplus and distributed in the manner provided in the TIF Act and/or the CID Act (as such term is defined in the Redevelopment Agreement), as applicable.

Upon the payment in full of the principal of and interest on the TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Finance Officer and the St. Louis Development Corporation, and payment in full of any other amounts required to be paid under the Note Ordinance, all amounts remaining on deposit in the Revenue Fund and the Debt Service Fund shall be declared as surplus and distributed in the manner provided in the Act.

The City covenants that it shall comply with the Charter of the City of St. Louis, Article XVI, Section 3 for each fiscal year that TIF Notes are outstanding and the City official(s) shall request an appropriation of all Available Revenues on deposit in the Special Allocation Fund for application to the payment of the principal of (including, but not limited to, payment of a premium, if any) and interest on the TIF Notes.

NOTWITHSTANDING ANY PROVISION HEREIN OR IN THE NOTE ORDINANCE TO THE CONTRARY, THE TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE OR IN PART WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN SECTION 7.8 OF THE REDEVELOPMENT AGREEMENT.

The TIF Notes are subject to optional redemption by the City in whole at any time or in part on any Payment Date at a redemption price of 100% of the principal amount of the TIF Note to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The TIF Notes are subject to special mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to Available

Revenues on deposit in the applicable accounts of the Special Allocation Fund and which are not required for the payment of accrued interest on such Payment Date.

The TIF Notes or portions of Notes to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the City defaults in the payment of the redemption price) such TIF Notes or portion of TIF Notes shall cease to bear interest. Upon surrender of such TIF Notes for redemption in accordance with such notice, the redemption price of such TIF Notes shall be paid by the Finance Officer. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any TIF Note, there shall be prepared for the Registered Owner a new TIF Note or Notes of the same maturity in the amount of the unpaid principal as provided herein. All TIF Notes that have been redeemed shall be cancelled and destroyed by the Finance Officer as provided herein and shall not be reissued.

TIF Notes shall be redeemed only in the principal amount of One Thousand Dollars (\$1,000) or any integral multiple thereof. When less than all of the outstanding TIF Notes are to be redeemed and paid prior to maturity, such TIF Notes shall be selected by the Finance Officer in One Thousand Dollar (\$1,000) units of face value in such equitable manner as the Finance Officer may determine.

The TIF Notes are issuable in the form of fully registered Notes without coupons in minimum denominations of One Hundred Thousand Dollars (\$100,000) or any integral multiple \$1,000 in excess thereof, except with respect to the Notes issued upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs, which Notes may be issued in any denomination, subject to the limitation on the aggregate Principal Amount.

This TIF Note may be transferred or exchanged as provided in the Note Ordinance only upon the Register, upon surrender of this TIF Note together with a written instrument of transfer satisfactory to the Finance Officer duly executed by the Registered Owner or the Registered Owner's duly authorized agent.

THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO PURCHASE, TRANSFER, ASSIGN OR NEGOTIATE THIS TIF NOTE SHALL BE LIMITED TO PURCHASE, TRANSFER, ASSIGNMENT OR NEGOTIATION TO THE DEVELOPER, A RELATED ENTITY A QUALIFIED INSTITUTIONAL BUYER OR PROJECT LENDER, AS SUCH TERMS ARE DEFINED IN THE NOTE ORDINANCE, AND UPON THE EXECUTION BY THE PROPOSED PURCHASER OR TRANSFEREE OF AN INVESTMENT LETTER IN SUBSTANTIALLY THE FORM OF EXHIBIT C TO THE NOTE ORDINANCE, SIGNED BY THE PROPOSED PURCHASER OR TRANSFEREE, SHOWING THAT THE PROPOSED PURCHASER OR TRANSFEREE IS AN APPROVED INVESTOR. "Approved Investor" is defined in the Note Ordinance, and includes, among others, (a) the Developer or a Related Entity, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business company or enterprise with total assets in excess of \$50,000,000.

Subject to the limitations of the preceding paragraph, upon surrender thereof at the office of the Finance Officer, the Finance Officer shall transfer or exchange any TIF Note for a new TIF Note of the same maturity and in the same principal amount as the outstanding principal amount of the TIF Note that was presented for transfer or exchange. Any TIF Note presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Finance Officer, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

This TIF Note shall not be valid or binding on the City or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Finance Officer.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the TIF Notes have existed, happened and been performed in due time, form and manner as required by law.

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

IN WITNESS WHEREOF, THE CITY OF ST. LOUIS, MISSOURI has executed this TIF Note by causing it to be signed by the manual or facsimile signature of its Mayor and Finance Officer and attested by the manual or facsimile signature of its City Register, and its official seal to be affixed or imprinted hereon, and this TIF Note to be dated as of the effective date of registration as shown on Schedule A attached hereto.

CITY OF ST. LOUIS, MISSOURI

By: _____
Mayor

By: _____
Finance Officer

Attest:
(Seal)

City Register

Approved as to Form:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee)

the within TIF Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Note on the books kept by the Finance Officer for the registration thereof, with full power of substitution in the premises.

Dated: _____.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears on the face of the within Note in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution)

By: _____

Title: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

SCHEDULE A

CERTIFICATE OF AUTHENTICATION

This TIF Note is one of the Series 200_ TIF Notes described in the within-mentioned Note Ordinance.

<u>Date</u> ⁽¹⁾	<u>Additions to Principal Amount</u> ⁽²⁾	<u>Principal Amount Paid</u>	<u>Outstanding Principal Amount</u>	<u>Authorized Signatory of Finance Officer</u>
_____ , _____	\$ _____	\$ _____	\$ _____	
_____ , _____				
_____ , _____				
_____ , _____				
_____ , _____				
_____ , _____				
_____ , _____				
_____ , _____				
_____ , _____				
_____ , _____				

(1) Date of approval of each Certificate of Reimbursable Redevelopment Project Costs, as provided in Section 5.2 of the Redevelopment Agreement (which constitutes Date of Authentication with respect to such portion of the Note) or Payment Date.

(2) Limited to denominations of \$100,000 or any \$1,000 increment in excess thereof, except with respect to an advance pursuant to the final Certificate of Reimbursable Redevelopment Project Costs, which may be in any denomination, subject to the limitation on the aggregate principal amount provided for in the Note Ordinance.

EXHIBIT C

Form of Letter of Representations

_____, 20__

City of St. Louis
City Hall
Tucker and Market Streets
St. Louis, Missouri 63103
Attention: Mayor, Room 200
Attention: Comptroller, Room 311

Re: Not to Exceed \$2,500,000 (plus Issuance Costs) City of St. Louis, Missouri, Tax Increment Revenue Notes, (Grand and Shenandoah Redevelopment Project), Series 200_

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to the purchase by the undersigned of not to exceed \$2,500,000 (plus Issuance Costs) aggregate principal amount of Tax Increment Revenue Notes, (Grand and Shenandoah Redevelopment Project), Series 2007 (the "TIF Notes"), issued by the City of St. Louis, Missouri (the "City"). The TIF Notes are secured in the manner set forth in Ordinance No. _____ [Board Bill No. _____] of the City adopted on _____, 200__ (the "Note Ordinance"). The undersigned hereby represents to each of you and agrees with each of you, as follows:

1. The undersigned is an Approved Investor (as defined in the Note Ordinance).
2. The undersigned acknowledges that the City has not made any representation or warranty concerning the accuracy or completeness of any information furnished in connection with the purchase by the undersigned of the TIF Notes. Accordingly, the undersigned has not relied upon the City as to the accuracy or completeness of such information. As a sophisticated investor, the undersigned has made its own decision to purchase the TIF Notes based solely upon its own inquiry and analysis.
3. The undersigned understands that the TIF Notes do not constitute an indebtedness of the City or a loan or credit thereof within the meaning of any constitutional or statutory debt limitation or restriction.
4. The undersigned is familiar with and has counsel who are familiar with the federal and state legislation, rules, regulations and case law pertaining to the transfer and distribution of securities, including, but not limited to, disclosure obligations of the seller incident to any such transfer or distribution. The undersigned hereby covenants and agrees that the undersigned will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the TIF Notes or any interest therein in violation of applicable federal or state law or

in violation of restrictions on sale, assignment, negotiation or transfer of the TIF Notes as set forth in paragraph 6 below.

5. The undersigned is purchasing the TIF Notes for its own account for investment (and not on behalf of another) and, other than a contemplated pledge of the TIF Notes, has no present intention of reselling the TIF Notes or dividing its interest therein. Notwithstanding the foregoing, the undersigned has the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the TIF Notes at some future date determined by it, provided that such disposition is not in violation of restrictions on sale, assignment, negotiation or transfer of the TIF Notes as set forth in paragraph 6 below.

6. The undersigned acknowledges that the right to sell, assign, negotiate or otherwise transfer the TIF Notes shall be limited to Approved Investors (as defined in the Note Ordinance).

7. The undersigned agrees to indemnify and hold you harmless from any and all claims, judgments, attorneys' fees and expenses of whatsoever nature, whether relating to litigation or otherwise, resulting from any attempted or affected sale, offer for sale, pledge, transfer, conveyance, hypothecation, mortgage or disposition of the TIF Notes in violation of this letter.

8. The undersigned has satisfied itself that the TIF Notes may be legally purchased by the undersigned.

Sincerely,

as Purchaser

By: _____
Title: _____

