

**CHAIR:**  
MARIE J. CARMICHAEL

**MEMBERS:**  
REUBEN A. SHELTON  
JOHN E. MEHNER  
MATTHEW L. DAMERON  
KELLEY M. MARTIN  
BRADLEY G. GREGORY  
CLIFF HOLEKAMP

**EXECUTIVE DIRECTOR:**  
ROBERT V. MISEREZ



**EX-OFFICIO MEMBERS:**  
MIKE KEHOE  
LIEUTENANT GOVERNOR

ROBERT B. DIXON  
DIRECTOR,  
ECONOMIC DEVELOPMENT

CHRIS CHINN  
DIRECTOR, AGRICULTURE

CAROL S. COMER  
DIRECTOR,  
NATURAL RESOURCES

## MISSOURI DEVELOPMENT FINANCE BOARD

DATE: March 11, 2020

TO: Missouri Development Finance Board

FROM: Robert V. Miserez *W8M*

SUBJECT: Tax Credit for Contribution Application from the Land Clearance for Redevelopment Authority of the City of St. Louis to Support a Major League Soccer Stadium Facility

The Land Clearance for Redevelopment Authority of the City of St. Louis (LCRA) has submitted the attached revised Application reducing its request for tax credits from \$30 million over a two-year period to \$5,752,500 million in CY 2020 contribution tax credits. The proceeds from the contribution would be used to fund a portion of the cost of constructing basic utility infrastructure throughout and adjacent to the site area to service the proposed new MLS stadium and attendant facilities, and to the extent contribution proceeds remain, such remaining proceeds would be used toward the cost of the rebuilding of Market Street. These are all basic public infrastructure costs eligible for funding under this program. This is a revised application from the one presented to the Board at the December 2019 meeting with the only change being a reduction in the amount of credits requested.

The original Application presented in December requested a total of \$15 million in CY 2019 discretionary tax credits above the Board's \$10 million statutory annual cap, and stated the intention of LCRA to apply in January 2020 for the CY 2020 \$15 million discretionary credits. That was a presentation only, with no action recommended. After discussion with DED, the amount requested has been reduced from \$30 million to \$5,752,500 million. The requested amount of tax credits would come from the Board's \$10 million statutory annual cap. The Applicant has also advised it would like to be considered for any unused credits that may be remaining at the end of 2020 to leverage additional contributions toward other eligible public infrastructure costs.

Discussions between the State, City and MLS ownership group have been ongoing since the December meeting. Staff is making the following recommendation based on those discussions.

**Recommendation:** Staff recommends adoption of the attached Resolution evidencing approval of the revised Application authorizing up to \$5,752,500 in base CY 2020 tax credits to raise up to \$11,505,000 in contributions to the Board and the disbursement of proceeds, less fees, to the LCRA to apply toward the above described eligible project costs and as further specified pursuant to the standard terms of a Tax Credit Agreement defining the respective roles and responsibilities of these parties to be entered into between the LCRA and Board.

**Appendices:** Appendix A — LCRA Letter Request  
Appendix B — LCRA Revised Application  
Appendix C — Authorizing Resolution

## **APPENDIX A**

LCRA Letter Request



**Lyda Krewson**  
*Mayor*

**Otis Williams**  
*Executive Director*

1520 Market Street, Suite 2000  
St. Louis, MO 63103  
(314) 657-3700  
TTY (314) 589-6000  
Fax (314) 613-7011

[www.stlouis-mo.gov/slhc](http://www.stlouis-mo.gov/slhc)

March 10, 2020

Mr. Bob Miserez  
Executive Director  
Missouri Development Finance Board  
Governor Office Building  
200 Madison Street – Suite 1000  
P.O. Box 567  
Jefferson City, MO. 65102

Re: Tax Credit for Contribution Program Application  
Land Clearance for Redevelopment Authority of the City of St. Louis

Dear Bob,

As you know, on November 8, 2019 the Land Clearance for Redevelopment Authority of the City of St. Louis (LCRA) filed its Tax Credit for Contribution Program Application in connection with the Major League Soccer development (the "Original Application"). As a result of various conversations with state officials since the filing of the Original Application, we would like to update the total amount of proposed contribution and the resulting requested total tax credit amount.

As indicated on the enclosed revised table for Section B.1 from the Original Application, LCRA is proposing a contribution of \$11,505,000 resulting in tax credits of \$5,752,500. The use of the contributions will be limited to the on-site and off-site public utilities as identified in the Application. Since there are many eligible public infrastructure costs associated with this project, I am requesting that, to the extent credits are available at the end of the year, the Board be receptive to LCRA reapplying for the unused credits.

Thank you for your consideration.

Sincerely,

Otis Williams  
Executive Director

## **APPENDIX B**

LCRA Revised Application

## MISSOURI DEVELOPMENT FINANCE BOARD

### TAX CREDIT FOR CONTRIBUTION PROGRAM APPLICATION

The undersigned Applicant hereby submits this Application and requests the Missouri Development Finance Board (the "Board") accept a Contribution, and, to the extent described herein, apply the proceeds of such Contribution for the purpose of financing the Project described below (the "Project") pursuant to the Board's Tax Credit for Contribution Program.

The undersigned has read the Board's Tax Credit for Contribution Program Description and Guidelines.

---

**Date:** November 2019 rev. March 2020

Total Estimated Project Budget/Cost: \$457,897,069

Total Amount of Proposed Contribution: \$ 11,504,156

Total Tax Credit Amount (50% of Contribution): \$ 5,752,078

**Note:** *To the extent possible, the applicant is requesting that the Board approve this request at its regular meeting in March, 2020, and accept donations and issue credits, following satisfaction of those contingencies described in Exhibit A No. 6 (attached).*

Name: Land Clearance for Redevelopment Authority of the City of St. Louis  
Address: 1520 Market St., Suite 2000  
City: St. Louis County: \_\_\_\_\_ Zip Code: 63103  
Contact: Otis Williams Telephone: 314-657-3771  
Title: Executive Director Fax: \_\_\_\_\_  
E-mail: Williamsot@stlouis-mo.gov

#### A. THE APPLICANT

##### 1. Organization:

What type of governmental entity is the Applicant?

*The Land Clearance for Redevelopment Authority of the City of St. Louis ("LCRA") is a public body created under Chapter 99 of the Missouri Revised Statutes. The purpose of the LCRA is to acquire property and facilitate projects that will remediate unsanitary or blighted conditions, and undertake such other actions that are in the public interest. The LCRA acts as an economic development authority for the City of St. Louis. The LCRA is governed by a five (5) member Board of Commissioners, all of whom are appointed by the mayor of the City of St. Louis.*

2. Legal or In-House Counsel to the Applicant:

Firm Name: Law Department, St. Louis Development Corporation

Address: 1520 Market Street, Suite 2000

City: St. Louis State: MO Zip Code: 63103

Contact: Leslye Mitchell-Yancey Telephone: 314-657-3728

Title: Assoc. City Counselor Fax: 314-613-7011

E-mail: MitchellL@STLouis-MO.gov

3. What is the total population of the Applicant? N/A

4. In which state legislative District(s) is the Project located:

House: 79th Senate: 5<sup>th</sup>

In which U.S. Congressional District: 1<sup>st</sup>

5. Taxpayer Identification Number: 43-0926078

6. Facility's NAICS\* Number: 711211

(Use the NAICS number for the facility(s) to be constructed or improved with the contribution.)

\*NAICS — North American Industry Classification System. The Federal Office of Management and Budget (OMB) adopted the NAICS as the industry classification system used by the statistical agencies of the United States. NAICS replaces the 1987 Standard Industrial Classification (SIC). The NAICS is used for classifying business establishments to assist with gathering data related to measuring productivity, unit labor costs, and the capital intensity of production, employment and other information. Missouri businesses are assigned a NAICS when the company files a "Report to Determine Liability Status" with the Missouri Department of Labor and Industrial Relations, Division of Employment Security to determine Unemployment Tax Liability. Normally, a general business employer becomes liable for the tax and responsible for providing unemployment insurance for its workers when it:

- Pays \$1,500 in wages (cash and in-kind) in a calendar quarter, or
- Has an employee in some portion of a day in each of 20 different weeks, or
- Becomes liable under the Federal Unemployment Tax Act (FUTA) and employs a worker in Missouri, or
- Acquires and continues without interruption substantially all the business of a liable employer.

**B. THE PROJECT**

1. Project Description:

Type of Project:

- ☒ Construction of new infrastructure
- ☒ Acquisition of real estate
- ☒ Construction of new facilities
- ☐ Acquisition of existing facilities
- ☐ Additions or improvements to existing facilities
- ☐ Acquisition of equipment

Business Address/Location of Project Site: ***The Project site is immediately west of Union Station and south of Olive Street in Downtown St. Louis. See Attachment A to Exhibit A.***

Legal Description of Property: ***The Project largely will be located on land currently owned by the Missouri Highways and Transportation Commission and used as the 20<sup>th</sup> Street on/off-ramps for I-64 in downtown St. Louis. The Applicant has an option to purchase the land from the Missouri Highways and Transportation Commission and the legal description will be determined as part of the purchase process. Non-Missouri Highways and Transportation Commission property is either under contract or in late-stage negotiations.***

What is the expected date of commencement of construction of the Project?

Date: **1/2020**

What is the date the Project is expected to commence operations?

Date: **March 2022**

2. Project Costs and Ongoing Sustainability:

On the following table, state the costs reasonably necessary for the acquisition of the site and/or construction of the proposed Project together with any machinery and equipment in connection therewith, including any utilities hook-up, access roads, or appurtenant structures. Additionally, on a separate attachment explain how the Project will be financially self-sustainable on an ongoing basis. Attach an annual income and expense Proforma for the Project demonstrating sustainability.

***See Exhibit D for Estimated Costs and Financing Sources  
See Exhibit E for Financial Self-Sufficiency/Income & Expense  
Proforma***

**Description of Estimated Project Costs**

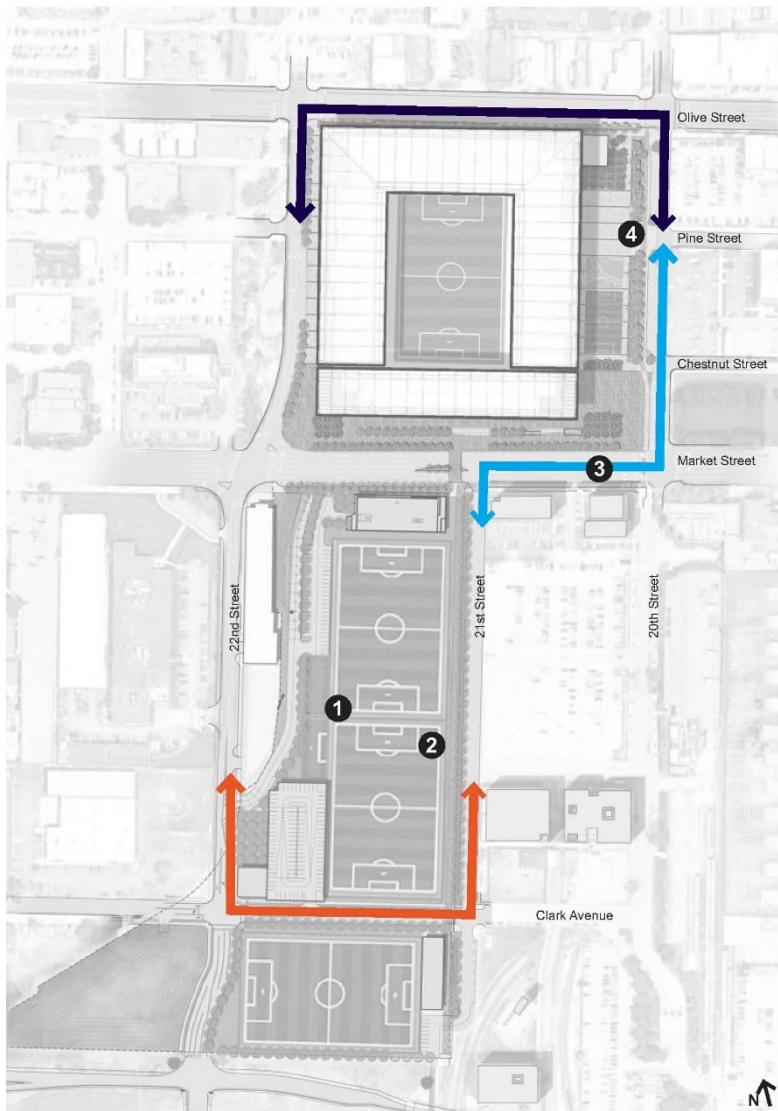
	Total Cost	Private	Public Cost Financed With Contribution	Comments Regarding "Cost Financed With Contribution" Column
A. Acquisition of Land	\$ 7,955,000	\$ 7,955,000	\$ -	
Acquisition of Existing Buildings	\$ 1,750,000	\$ 1,750,000	\$ -	
B. Infrastructure Costs:				
1 Filling, grading and provision of drainage (in C5)	\$ -	\$ -	\$ -	
2 Storm water retention (in C2)	\$ -	\$ -	\$ -	
3 Installation and extension of utilities (offsite):				
a. water	\$ 2,479,842	\$ -	\$ 2,479,842	
b. sewer	\$ -	\$ -	\$ -	
c. sewage treatment	\$ -	\$ -	\$ -	
d. gas (relocate off site)	\$ 1,000,000	\$ 448,959	\$ 551,041	
e. electricity (refeed street lights along Market St.)	\$ 1,000,000	\$ 858,838	\$ 141,162	
f. communications and similar facilities	\$ 1,000,000	\$ 129,386	\$ 870,614	Cost estimate from AT&T, Pine Street line relocation
4 Installation and extension of utilities (onsite):	\$ 7,461,507	\$ -	\$ 7,461,507	
a. water (in 4 above)	\$ -	\$ -	\$ -	
b. sewer (in 4 above)	\$ -	\$ -	\$ -	
c. sewage treatment (in 4 above)	\$ -	\$ -	\$ -	
d. gas (in 4 above)	\$ -	\$ -	\$ -	
e. electricity (in 4 above)	\$ -	\$ -	\$ -	
f. communications and similar facilities (in 4)	\$ -	\$ -	\$ -	
5 Construction, Extension or Improvements of Roads and/or Rail Lines (Includes Market Street)	\$ 3,500,000	\$ 3,500,000	\$ -	
6 Extension of sidewalks and curbing (in C7)	\$ -	\$ -	\$ -	
7 Elimination of Blight (please describe)	\$ -	\$ -	\$ -	
8 Other (please describe)	\$ -	\$ -	\$ -	
C. Facility Construction Costs (exclude inventory and working capital):				
1 Architectural and Engineering	\$ 30,011,000	\$ 30,011,000	\$ -	
2 Site Preparation (including mass excavation)	\$ 16,000,000	\$ 16,000,000	\$ -	
3 Materials (N/A)	\$ -	\$ -	\$ -	
4 Labor (N/A)	\$ -	\$ -	\$ -	
5 Construction Contracts	\$ -	\$ -	\$ -	
a. Stadium/Practice Fields / Maintenance Facility / Tunnel / Training Facility	\$ 325,475,000	\$ 325,475,000	\$ -	
b. Parking Garage	\$ 1,072,500	\$ 1,072,500	\$ -	
6 Utilities Connection (in 4 above)	\$ -	\$ -	\$ -	
7 Paving and Landscaping curbs, sidewalks (site Improvements)	\$ 16,454,450	\$ 16,454,450	\$ -	
D. Renovation Costs	\$ -	\$ -	\$ -	
E. Machinery and Equipment	\$ -	\$ -	\$ -	
F. Furniture and Fixtures	\$ -	\$ -	\$ -	
G. Interest During Construction	\$ -	\$ -	\$ -	
From _____ To _____	\$ -	\$ -	\$ -	
H. Accounting, Legal, Miscellaneous	\$ 26,006,000	\$ 26,006,000	\$ -	
I. Contingency (4%)	\$ 16,731,770	\$ 16,731,770	\$ -	
<b>TOTAL PROJECT COSTS</b>	<b>\$ 457,897,069</b>	<b>\$ 446,392,913</b>	<b>\$ 11,504,156</b>	
		<b>Tax Credits</b>	<b>\$ 5,752,078</b>	



Description of Estimated Project Costs

Description of Estimated Project Costs		Total Cost	Test K + M = I	Private	Public Cost Financed with Contribution	Comments Regarding "Cost Financed with Contribution" Column
A.	Acquisition of Land	\$ -	\$ 7,995,000	\$ -	\$ 7,995,000	Diagram 1
	Acquisition of Existing Buildings	\$ -	\$ 1,750,000	\$ -	\$ 1,750,000	Diagram 1
B.	Infrastructure Costs:					
	1. Filling, grading and provision of drainage (in C5)	\$ -		\$ -	\$ -	
	2. Storm water retention (in C2)	\$ -		\$ -	\$ -	
	3. Installation and extension of utilities (offsite--public land ):	\$ -		\$ -	\$ -	
	a. water	\$ 2,479,842	\$ 2,479,842	\$ -	\$ 2,479,842	Diagram 2 location #1
	b. sewer	\$ -		\$ -	\$ -	
	c. sewage treatment	\$ -		\$ -	\$ -	
	d. gas (relocate off site)	\$ 1,000,000	\$ 1,000,000	\$ 448,969	\$ 551,031	Diagram 2 location #2
	e. electricity (refeed street lights along Market St.)	\$ 1,000,000	\$ 1,000,000	\$ 858,838	\$ 141,162	Diagram 2 location #3
	f. communications and similar facilities	\$ 1,000,000	\$ 1,000,000	\$ 129,386	\$ 870,614	Diagram 2 location #4 (AT&T and Charter)
	4. Installation and extension of utilities (onsite--assumes private land?)	\$ 7,461,507	\$ 7,461,507	\$ -	\$ 7,461,507	Diagram 2 through out site
	a. water (in 4 above)	\$ -		\$ -	\$ -	
	b. sewer (in 4 above)	\$ -		\$ -	\$ -	
	c. sewage treatment (in 4 above)	\$ -		\$ -	\$ -	
	d. gas (in 4 above)	\$ -		\$ -	\$ -	
	e. electricity (in 4 above)	\$ -		\$ -	\$ -	
	f. communications and similar facilities (in 4)	\$ -		\$ -	\$ -	
	5. Construction, Extension or Improvement of Roads and/or Rail Lines (includes Market Street)	\$ 3,500,000	\$ 2,567,524		\$ 2,567,524	Diagram 3 location #1
	B.5 above short \$932,476 in Private column.		\$ 932,476			
	6. Extension of sidewalks and curbing (in C7)	\$ -		\$ -	\$ -	
	7. Elimination of Blight (please describe)	\$ -		\$ -	\$ -	
	8. Other (please describe)	\$ -		\$ -	\$ -	
C.	Facility Construction Costs (exclude inventory and working capital):					
						Design fee's, surveys, environmental Phase 1 & 2, geotechnical soil borings, permits, testing, program management fee, permits
	1 Architectural and Engineering	\$ 30,011,000	\$ 30,011,000	\$ 27,383,667	\$ 2,627,333	Diagram 5 through out site
	2 Site Preparation (including mass excavation)	\$ 16,000,000	\$ 16,000,000	\$ 1,341,951	\$ 14,658,049	
	3 Materials (N/A)	\$ -		\$ -	\$ -	
	4 Labor (N/A)	\$ -		\$ -	\$ -	
	5 Construction Contracts	\$ -		\$ -	\$ -	
	a. Stadium/Practice Fields/Maintenance Facility/Tunnels/Training Facility	\$ 325,475,000	\$ 325,475,000	\$ 325,475,000	\$ -	
	b. Parking (surface lots only 165 spaces)	\$ 1,072,500	\$ 1,072,500	\$ 53,625	\$ 1,018,875	Diagram 6 locations #2 (projected 95% public use)
	c. Parking Garage (All above grade 400 spaces)	\$ 12,800,000	\$ 12,800,000	\$ 640,000	\$ 12,160,000	Diagram 6 location #1 (projected 95% public use)
	6 Utilities Connection (in 4 above)	\$ -		\$ -	\$ -	
	7 Paving and Landscaping curbs, sidewalks (site improvements)	\$ 16,494,460	\$ 16,494,460	\$ -	\$ 16,494,460	Diagram 4 multiple locations
D.	Renovation Costs	\$ -		\$ -	\$ -	
E.	Machinery and Equipment	\$ -		\$ -	\$ -	
F.	Furniture and Fixtures	\$ -		\$ -	\$ -	
G.	Interest During Construction					
	From _____ To _____	\$ -		\$ -		
H.	Accounting, Legal, Miscellaneous	\$ 26,006,000	\$ 26,006,000	\$ 22,153,673	\$ 3,852,327	Pro-rated based on public v. private
I.	Contingency (4%)	\$ 16,731,772	\$ 16,731,772	\$ 14,253,257	\$ 2,478,515	4% contingency based on survey of similar projects; pro-rated
	TOTAL PROJECT COSTS	\$ 461,032,081	\$ 469,844,605	\$ 392,738,366	\$ 77,106,239	
	Corrections to above:		Test:		\$ 469,844,605	
					\$ (8,812,524)	
	Land not above:	\$ 9,745,000				
	B.5 above short:			\$ 932,476		
	Actual Totals:	\$ 470,777,081		\$ 470,777,081	\$ 11,504,156	
					\$ 5,752,078	Credit Amount from 2020 base cap subject to Board approval.

## Utilities *Diagram 2*



### Legend

- ↔ Clark Avenue
- ↔ Olive Street
- ↔ 20th Street

### Includes:

- On and off site utilities
- Clark Avenue: Relocate an existing 16" Gas line and a 12" Water Main that runs east-west through the MoDOT property in the vacated Eugenia St ROW north to the new Clark Ave ROW.
- Olive Street: Relocate the existing 15" Water Main that runs east-west in the existing Pine Street ROW north in 22nd St ROW to Olive St, then east in Olive St to 21st Street. A 30" Water Main runs north-south in the 21st St ROW. Tie 15" water main into the 30" water main at 21st St and continue East in the Olive St ROW to 20th St. The relocated water main then turns south in 20th St and continues south to Market St, tying back into the 15" water main at Pine St along the way. At Market St, the 30" water main continues to the west to 21st St where it ties back into the existing 30" water main.
- Olive Street: Relocate the fiber lines located in Pine Street ROW north to the Olive Street ROW. Relocate the City Street Lights UG Electric from Pine Street ROW north to the Olive Street ROW.

**Cost: \$9,024,314**

**Installation and extension of utilities (offsite) - water**

[illegible]

Source of Funds:

State amount and sources of financing for all of the Project costs listed above.

<u>Sources</u>	<u>Amount</u>
Contribution Proceeds	\$ 11,504,156
Applicant's Funds (Describe Sources)	\$ 0
Federal Funds (Describe Sources)	\$ 0
State Funds (Describe Sources)	\$ 0
Private Funds (non-Contributions)	\$ 423,946,982
Other (Describe Sources)	\$ 22,445,931
TOTAL	\$ 457,897,069

Provide a detailed description for all State, Federal, Private or Other funding sources listed above. Include agency and program name, respective amounts if more than one source is involved on the same line, and a copy of the funding commitment or approval setting forth the terms of funding. If approval has not been received, provide an explanation of where the application or request is in the review process, and the expected date of approval. The ability to demonstrate a high level of certainty in obtaining all funding identified to complete the Project as presented is a factor the Board considers.

*Private Funds are a combination of owner equity (\$343,946,982) and projected debt (\$80,000,000) for which the Project User will be responsible.*

*Other Funds consist of the (i) estimated proceeds from the sale of MDFB tax credits and (ii) NPV of the estimated proceeds from three special districts which would be approved for the Project. These districts are a Transportation Development District, a Community Improvement District and a Port Improvement District. Each district will levy a 1% sales tax. The City of St. Louis Board of Aldermen has approved by resolution a framework for local public assistance which includes use of these three special districts; however, consideration of a Port Improvement District tax is conditioned on the Board of Aldermen extending the boundaries of the Port District to include the Project. A copy of the Resolution is attached as Attachment B to Exhibit A. Finally, an indirect source of funds for the Project will be a real estate tax abatement to be sought by the Project User. Because the Project User will be the ultimate owner of the Project, real estate tax will be paid on the value of the underlying real estate for the entire Project and real estate tax will be abated on the value of the improvements on the land (e.g., stadium and other developments). The vast majority of the real estate for the Project has been owned by the Missouri Highways and Transportation Commission for decades. So, while the Project will receive benefits through reduced real estate tax, the City will receive some new revenue through real estate tax on land that has been exempt from taxation due to governmental ownership for decades.*

*The Missouri Department of Transportation is providing no direct funding for the Project. In fact, the Missouri Department of Transportation recently removed certain items from a Cost Sharing Agreement with the City/Applicant (Market Street rebuild, ramp removal and removal of fill dirt) that amount to \$3.4 million which largely must now be paid by the Project User. As noted, the Missouri Highways and Transportation Commission is providing, thorough an arms-length sale, the vast majority of the real estate for the Project.*

*Highways and Transportation Commission is providing, thorough an arms-length sale, the vast majority of the real estate for the Project.*

*As indicated above, the scope of the general support from the City to the Project was provided by the St. Louis Board of Aldermen in the framework resolution described above, and the Project User is in the process of preparing and seeking approval of the final documents to confirm such City support. It should be noted that some support will be finalized next year because some elements can only be sought by the owner of the real estate (e.g., CID and TDD).*

3. Certified Minority (MBE) and Women-Owned Business Enterprise (WBE) Participation

The Board encourages the involvement of minority and women-owned businesses as certified by either the Missouri Office of Administration (OA) for state agency applications, or the municipality submitting the application for local projects. If the application is from a local government, please attach a copy of the Applicant’s MBE/WBE Policy and Procedures pertaining to this subject, or the link to the local government’s web site where this information can be obtained. If the Applicant has policies and procedures in place, adherence to these policies and procedures will be a stipulation of the use of Contributions. If policies are not in place, please denote same and note that you will be required to contact OA to develop a plan to address this matter. The Office of Administration list of certified businesses by region can be found at <http://oeo.mo.gov/> for those communities that do not maintain their own certification program.

Please estimate the number of each type business the Applicant and/or Principal User expects to utilize in the construction and equipping of the Project.

	<u>No. of Firms</u>	<u>Amount</u>
Minority Business Enterprise (MBE)	<u>TBD</u>	<u>\$ TBD</u>
Women Business Enterprise (WBE)	<u>TBD</u>	<u>\$ TBD</u>

*While exact MBE/WBE participation is yet to be determined, the Applicant will require that construction of the Project be subject to a workforce and business inclusion plan which shall seek to ensure compliance with all applicable federal, state and local laws and executive orders regarding contracting, hiring and employment, including applicable executive orders setting goals for minority- and women-owned business participation and minority hiring, including, but not limited to, the City of St. Louis Mayor’s Executive Orders #28, #33, #34, #36, #39, #44, #46, #47, and #51, and Ordinance No. 69427 establishing apprenticeship training, workforce diversity, and city resident programs, all as may be amended, to implement the findings of the “City of St. Louis Disparity Study” and the “City of St. Louis Workforce Study” completed in 2015 by Mason Tillman Associates, Ltd., for the City of St. Louis and the St. Louis Development Corporation.*

Please note that the MDFB will require the Applicant, or Principal User if different from the Applicant, to submit a written report upon the completion of the Project providing the number of firms used, dollar amount of contracted value, and brief description of the type work or services contacted for each category above.

4. Ownership:

Present legal owner of Project site:

***Currently, there are nine (9) parcels owned by six (6) different owners within the Project area. Six (6) of such parcels are under contract with the Principal User. One of the three (3) other parcels is owned by the Missouri Highways and Transportation Commission and is subject to an option held by the Applicant. Late-stage negotiations for such property (and the other parcels) are on-going. The Principal User is confident that the remaining three (3) parcels will be acquired by the end of 2019.***

If presently owned by Applicant, indicate date of purchase, reason for purchase, and current use of site:

Is there a relationship legally or by virtue of common control between either the current Project user or owner or the proposed Project owner and user or seller of the Project:

☐ Yes      ☒ No      If yes, please give details.

5. Employment:

New Full-Time and Part-Time Jobs	<u>636 permanent jobs</u>	Average Wage	<u>TBD</u>
----------------------------------	---------------------------	--------------	------------

Temporary Jobs	<u>2,179</u>	Average Wage	<u>TBD</u>
----------------	--------------	--------------	------------

Jobs during Construction	<u>2,179</u>
--------------------------	--------------

Average Wage	<u>TBD</u>
--------------	------------

Estimated length of Construction period: Approximately 25 months

C. **FINANCIAL INFORMATION**

1. Financial Statements:

Attach audited financial statements for at least the last three (3) fiscal years, including the most recent interim statement (not more than 90 days old).

***Audited financial statements for the City of St. Louis can be found at the following website:***

<https://www.stlouis-mo.gov/government/departments/comptroller/investorrelations/city-information/Current-CAFR.cfm>

2. Financial Difficulties:

Has the Applicant, or any corporation formed by or on behalf of the Applicant, ever defaulted on its debt obligations, been involved in bankruptcy, creditor's rights, or receivership proceedings, or been involved in criminal proceedings bearing on the handling of financial matters?

☐ Yes      ☒ No      If yes, please give details.

3. Litigation:

Is the Applicant presently involved in any litigation which could have a material effect on its financial solvency?

☐ Yes      ☒ No      If yes, please give details.

4. Please list the Applicant's general fund and other key fund surpluses (or deficits) for the last four years.

*See link provided above.*

5. Has the Applicant ever defaulted on any obligation or failed to appropriate for any lease or any other annual appropriation obligation during the last 20 years?

☐ Yes      ☒ No      If yes, please give details.

**D. PROJECT REVENUES (Not required for projects in small cities/rural areas)**

Attach a cost benefit analysis showing the total tax revenues generated that will be collected by the local governmental jurisdictions and the state as a result of the Project, and the cost of all local and state governmental assistance provided to the Project. Revenues and costs should be identified by each recipient or payee (private and governmental). Submission of a cost benefit analysis for Small Cities category and social services-focused projects may be waived at the discretion of the Board.

*See Exhibit C*

**E. IDENTIFICATION OF CONTRIBUTORS**

Has the Applicant identified who the contributors would be?

☒ Yes      ☐ No

If Yes, please list below or attach a list of names of potential contributors.

*See Exhibit B*

If No, please explain why the Applicant believes such Contributions are likely to be obtained.

Provide a timeline of fundraising activities. Include when you expect the first contribution to be made and when you expect to have the fundraising for this Project complete. Please be as specific as possible.

**F. USE OF THE PROJECT**



If the Project will be used for (or will substantially benefit) an entity in addition to the Applicant, please complete Exhibit B for such user or beneficiary.

### G. CERTIFICATION OF APPLICANT

The undersigned hereby represents and certifies that, to the best knowledge and belief of the undersigned, this Application contains no information or data, contained herein or in the exhibits or attachments, that is false or incorrect.

Dated this 26<sup>th</sup> day of NOVEMBER, 2019.

SIGNATURE: *Otis Williams*

NAME: Otis Williams

TITLE: Executive Director

### Certification

- I certify that I am an authorized representative of the applicant and as such am authorized to make the statement of affirmation contained herein.
- I certify that the applicant does NOT employ illegal aliens and that the applicant has complied with federal law (8 U.S.C. § 1324a) requiring the examination of an appropriate document or documents to verify that an individual is not an unauthorized alien.
- I understand that if the applicant is found to have employed an illegal alien in Missouri and did not for that employee examine the document(s) required by federal law, that the applicant shall be ineligible for any state-administered or subsidized tax credit, tax abatement or loan for a period of five years following any such finding.
- I attest that I have read and understand the Missouri Development Finance Board Tax Credit for Contribution Program guidelines, specifically as it relates to the Tax Credit Accountability Act of 2004 (SB 1099).
- I hereby agree to allow representatives of the Department and Board access to the property and applicable records as may be necessary for the administration of this program.

Program Assessment and Administrative Fees are due upon execution of a Tax Credit Agreement in an amount equal to 4% of the amount of all authorized Contributions.

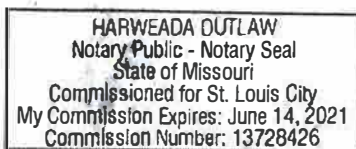
STATE OF MISSOURI

COUNTY/CITY OF St. Louis (SS)

On this 26<sup>th</sup> day of November, 2019, before me Harweada Outlaw a Notary Public in and for said state, personally appeared Otis Williams, known to me to be the person who executed the Certification and acknowledged and states on his/her oath to me that he/she executed the same for the purposes therein stated.

*Harweada Outlaw* Notary Public

(SEAL)



My commission expires

6/14/2021



## **EXHIBIT A**

### **Project Narratives**

Please address each of the following statements. (Provide separate attachments as necessary).

**1. Provide a description of the Project, including land, buildings, improvements, machinery and equipment to be acquired or constructed, and the principal use of the facilities once complete.**

The Project consists of (i) the planning, development and construction of a state-of-the-art Major League Soccer stadium for the 28<sup>th</sup> Major League Soccer team, (ii) the team headquarters housing the team offices and a training facility complete with at least two practice fields (natural and artificial turf), with parking of approximately 750 spaces, and (iii) public space for various festivals, charity runs, small concerts, and civic events.

#### **The Site:**

The Project contains approximately 25 acres (including rights-of-way) generally bordered by Interstate 64 to the south, Olive Street to the north, 22<sup>nd</sup> Street to the west and 20<sup>th</sup>/21<sup>st</sup> Streets to the east. There are nine (9) parcels within the area; the Principal User is also pursuing a Cooperation Agreement to develop Aloe West Plaza, a City park located at the northwest corner of Market Street and 20<sup>th</sup> Street as part of the public space surrounding/adjacent to the Project. (See Attachment for aerial illustration of the area).

The predominant current use of the site is rights-of-way controlled by the Missouri Highways and Transportation Commission. With the exception of four small buildings on the south side of Olive Street, the remainder of the site is either vacant, parking lots, or local streets controlled by the City of St. Louis.

#### **Buildings and Improvements**

The entire site will be cleared, including the existing buildings along Olive Street, all on and off ramps, Pine Street, and Market Street (which will be rebuilt). The site will be environmentally remediated as required for the intended used. Also large mounds of fill dirt stored by the Missouri Highways and Transportation Commission on the site will be removed or utilized in the Project or by the Missouri Highways and Transportation Commission for its connected project.

On the land between Market and Olive Streets will be constructed a state-of-the-art, 22,500 seat soccer stadium. The stadium will be approximately 450,000 square feet in size. The stadium will include a large facility forming the south side of the stadium which could host multiple events (weddings, dinners, e-sports gatherings, etc. ). On the east side of the stadium will be constructed a large plaza which will be coordinated with a rebuilding of Aloe West Plaza (a public park), all of which will be able to host a wide variety of outdoor civic events.

On the south side of Market Street will be constructed a new, approximately 37,000 square foot team headquarters that will house the team offices and indoor training facilities.

South of the team headquarters will be two full size training fields, one grass and the other artificial turf. The immediate adjacency of the team offices and training facility to the stadium will be unique in Major League Soccer (“MLS”).

There will be parking for approximately 750 vehicles in/around the project.

Linking the southern facilities to the stadium will be a new tunnel under Market Street. The tunnel will provide truck access into the stadium. This will allow the new stadium’s loading docks and truck bays to be hidden under the stadium, and allows the stadium to have four completely open sides. There will be no “rear side” to the stadium.

Please see Attachment A for a site plan indicating the location of the stadium, the team headquarters, the practice facilities, and the parking.

### **Use of Facilities**

The stadium primarily will be used for MLS soccer games. Currently the MLS plays 17 regular season home games and 3 or 4 exhibition matches. The Project User will aggressively pursue other uses for the stadium not currently or regularly held in St. Louis such as “friendlies” (exhibition matches between soccer teams preparing for international competition) and NCAA and high school sporting events (soccer, lacrosse, football,...etc.).

The facility also could be used for non-sporting events such as concerts, festivals, weddings, corporate events and convention-related events.

The plaza on the east side of the stadium (including Aloe West Plaza) is envisioned to be the host of various charity runs and walks, and such events as “Taste-of St. Louis”, Q In the Lou, Blues and Jazz festivals, etc.

When not needed for MLS purposes, portion of the parking will provide additional parking for patrons of Union Station directly to the east and other needs in Downtown West.

## **2. Describe the public policy objectives that will be supported by the Project.**

Construction of the Project, and the acquisition of the team, will have important benefits to the City of St. Louis, the St.Louis region, and the State of Missouri.

The Project User is undertaking the Project largely as an economic development effort for the City of St. Louis and the State of Missouri not just by generating taxes for the City and State. The Project and MLS team will be an amenity to help attract businesses and employees to the City and State. Compared to other sports leagues, fans of MLS are 25% more likely to be millennials, 70% more likely to be Hispanic (a growing population in St. Louis and Missouri), and 79% more likely to have an income of over \$100,000. More specifically, 39% of MLS fans are in the coveted 18-34 age group. As compared, only 24% of Major League Baseball fans are in that age group. Simply put, MLS fans are the people St. Louis will need to recruit and retain to populate St. Louis’ booming start-up sector, the new, expanded National Geospatial-Intelligence Agency (“NGA”), and St. Louis’ growing bio-tech industry (to name just a few).

Other, more direct, positive results are obvious. First is the creation of over 2,000 new construction and hundreds of construction related jobs in the St. Louis region. Second, there will be the creation of approximately 150 direct jobs working for the team.

Additionally, the Project will promote and increase tourism in the State and the St. Louis area. A St. Louis based MLS franchise will enjoy ready-made rivalries with MLS teams in Nashville, Cincinnati, Columbus (Ohio), Chicago, Kansas City (regrettably in Kansas), and other Midwestern cities. Soccer fans are known for traveling to support their teams, and a team located in downtown St. Louis will create demand for the St. Louis hotels, restaurants, and retail establishments.

The Project will also enhance the St. Louis region – and, Missouri – competing with the 28-29 other cities in the country that will have MLS teams by March, 2022. Among these cities are some of the fastest growing, most dynamic in the country – Nashville, Austin, Portland, San Jose, Minneapolis-St. Paul, Denver, Columbus, and Atlanta. St. Louis should be in that grouping, and soccer will help efforts to change the narrative of St. Louis.

Finally, one of the most important policy objectives achieved by the Project is that it will help downtown St. Louis avoid a serious vacant property issue. The Missouri Highways and Transportation Commission and the City have announced that they will construct a new interchange at I-64 and Jefferson Avenue to help deal with anticipated traffic from the relocation of the NGA to the Jefferson and Cass location north of downtown. That project will necessitate the closure and abandonment of several I-64 on and off ramps just west of Union Station. This abandonment would leave a 30 acre gash running north and south along the western portion of downtown St. Louis with no immediate prospects for development and limited funds to make the site development ready. The Project immediately solves this problem in a beautiful way. It creates a fitting landmark on the western terminus of the downtown St. Louis mall running westward from the Arch to just beyond Union Station. It will help activate the recently renovated Union Station and the new Ferris wheel and aquarium therein. Game days (and other uses) will bring in thousands of people to the underutilized western part of downtown and immediately enhance and enliven it. The Project will serve as a bridge between downtown and Grand Center extending the reach of recent economic success in the region (e.g., the Arch, Ballpark Village, Soldiers Memorial, Enterprise Center, and Union Station).

### **3. Describe and quantify the Project's primary beneficiaries or targeted audience/clientele served.**

The land for the Project will be initially owned by the Applicant and sold to the Project User which will be required to build the Project. The Project User will develop the Project, construct the stadium, and operate the completed facility.

As described above, the Project will also serve as the anchor for revitalizing an underutilized area of the City, helping to attract new economic activity in and adjacent to the area occupied by the Project. The Project is expected to create a significant number of jobs directly associated with the MLS team, including highly-paid jobs for players, coaches, and staff, as well as permanent, part-time and temporary jobs associated with MLS games and other sporting and entertainment events in the new stadium facility. The Project will also produce significant numbers of new construction

jobs. Residents of the St. Louis region and the State will be the primary beneficiaries of this new economic activity and job creation.

The acquisition of an MLS team by the Project User and the construction of the Project will have a positive impact on the State and the St. Louis region. The team and the new venue will help retain and attract businesses and employment and enhance quality of life in the State and the St. Louis region.

Further, construction of the new facility and attraction of an MLS franchise will bolster the State's and the region's national and regional reputation by allowing St. Louis to once again boast three major professional sports franchises.

Finally, the targeted audience served by the Project – sports and entertainment fans in the St. Louis region, the State, and across the country – will provide direct benefits to the State and region by virtue of MLS fans and other visitors from outside the region that patronize the region's restaurants, hotels and other attractions when they attend MLS games or other events at the new stadium, as well as the direct and indirect tax revenues generated by such events.

#### **4. Explain the economic impact this Project will have on the State of Missouri and the community in which it is located.**

The Project will produce direct and indirect economic benefit for the State and the St. Louis region primarily by virtue of State and local tax revenues associated with an MLS team and new jobs created by the Project. The Project is expected to generate an estimated 2,179 jobs during the course of the start-up and construction period and 636 permanent jobs from ongoing operations of the team and stadium. These economic activities will add more than \$67 million annually in labor income and \$311 million annually in value to the Missouri economy and will generate over \$6.5 million annually in State taxes during the construction period. After construction the Project is anticipated to generate over \$ 2.6 per year in state revenue. A detailed breakdown of the economic impact is attached as **Exhibit C**.

In addition to the quantifiable economic impact, the presence of an MLS team will have a positive impact on the reputation of the State and the St. Louis region, which in turn will help the region retain existing businesses and employees and attract new business and development. This effect, combined with the construction of a new stadium facility, may also result in attraction of other new sporting and entertainment events producing new jobs and new tax revenues for the State and taxing jurisdictions in the St. Louis region.

In addition to estimated direct economic benefits, the Project is expected to produce indirect economic benefits that have not been quantified, including taxes on sales of goods and services to players, coaches, and team personnel, and additional spending by soccer fans and others on hotels and restaurants in the St. Louis region. Indirect economic benefits may also include taxes on profits earned by businesses participating in operation of the new stadium.

**5. Explain the non-economic benefits this Project will have on the community and State.**

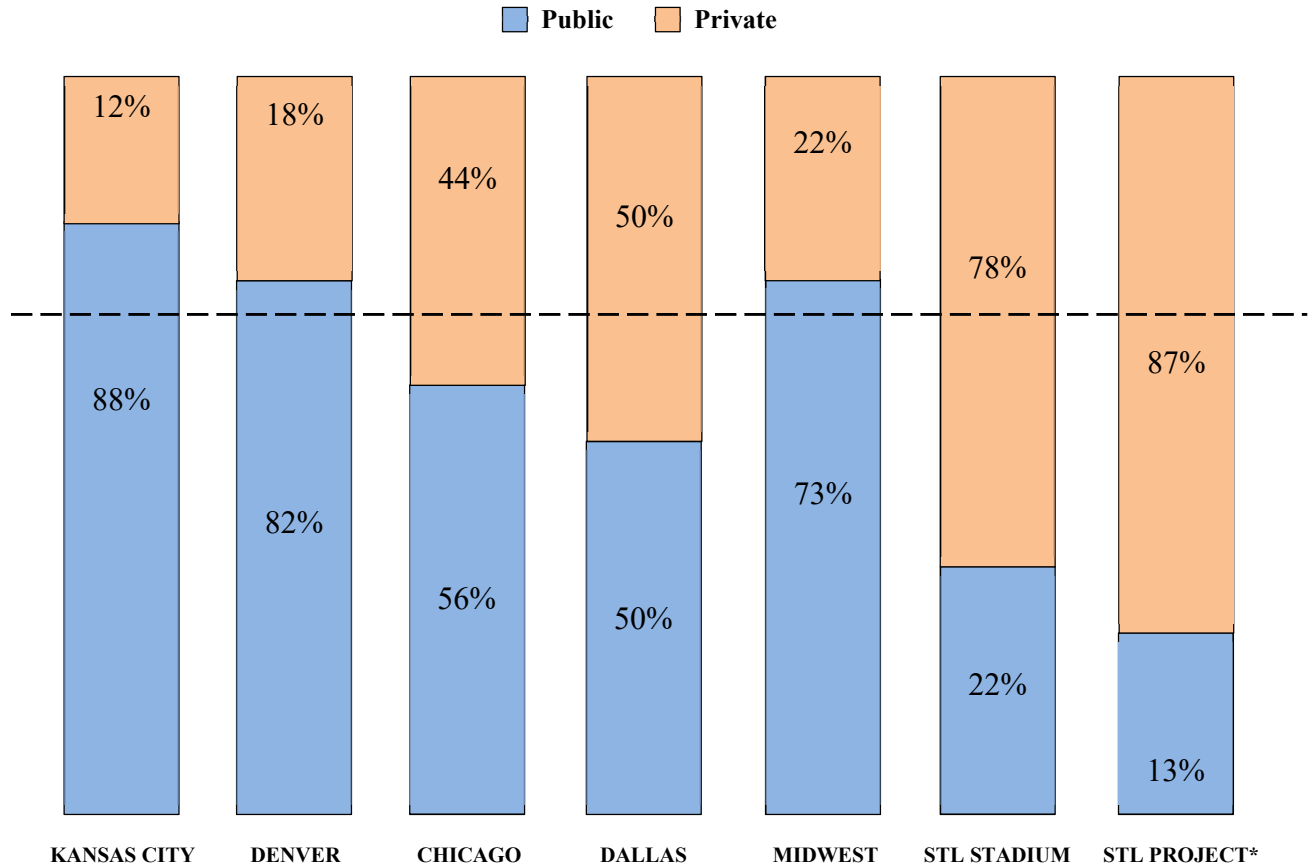
As noted above, the Project will enable the St. Louis region to reclaim its regional and national reputation as a three-sport, “first-class” city and permit Missouri to again be one of only 11 states with five professional sports franchises (not including the Kansas City MLS team, which plays in Kansas). The Project and MLS team will also increase civic pride, particularly given the rich local soccer tradition and popularity of the sport among citizens of St. Louis and Missouri.

The Project will also complete one of the great corridors of sports, culture, and entertainment in the nation. Within one mile, residents and visitors will be able to visit the Gateway Arch grounds, Kiener Plaza, Busch Stadium, Ballpark Village, the City Garden Sculpture Park, Enterprise Center, Peabody Opera House, the newly renovated Soldiers Memorial, St. Louis Union Station (housing a new, 200 foot tall Ferris wheel and a soon-to-open aquarium), and then the Project.

**6. Describe the local Governmental financial support for the Project, both direct and indirect.**

The Applicant anticipates direct financial support from the special districts to be established in conjunction with the City of St. Louis in the aggregate amount of \$21 million (NPV over 30 years), indirect support by the granting of twenty-five (25) years of full tax abatement for the Project, an exemption from sales tax on construction materials, and an exemption from the City’s 4% amusement tax on tickets. The Project User has, in coordination with the Applicant, made significant effort to minimize the public financing component of the Project to the minimum amount necessary to make the Project feasible and sustainable. As the following chart shows, the four MLS stadiums in closest proximity to St. Louis (Denver, Dallas, Chicago, and Kansas City) received public funding for an average of over seventy-two percent (72%) of their project costs. Kansas City alone received approximately eighty-eight percent (88%) public funding.

## MIDWEST MLS STADIUM PERCENT FUNDING



- Includes all project costs (stadium, expansion fee, start-up costs)
- SOURCE: Goldman Sachs, Barrett Sports Group

The public financing commitments of the State and the City of St. Louis will also be dependent on the satisfaction of a number of requirements by the Project User. The Project User will commit to a significant economic investment expected to span a term of 25 or more years for use of the Project. Because the stadium and related components will be privately owned, cost overruns, repairs and improvements will be privately funded.

The key contingencies are that the Applicant/Project User must complete are negotiations with Missouri Highways and Transportation Commission and other landowners and entering into a purchase agreements for the Project site. In addition, because of the unexpected and dramatic increase in the cost of the Project, the relative minimal request for governmental assistance, and significant economic and non-economic benefits the Project will provide, the Project User needs the City and State to be invested partners to ensure the successful completion and long-term sustainability of the Project.

**7. How did you determine the amount of local/county cash or local non-profit cash to be dedicated to the Project?**

The amount of City funds to be contributed to the Project was determined in discussions with numerous City officials and financial experts and outlined in the resolution of the Board of Aldermen attached as Attachment B.

**8. Describe the fundraising history of the organization and how they intend to be successful in raising funds for this Project using tax credits.**

The necessary contributions will consist of private cash contributions and/or marketable securities from the Project User.

**9. Explain how this Project will be financially self-sustainable upon completion.**

The Project User will generate revenue through ticket sales, premium seating, sponsorships, concession sales, local broadcasting, and user fees from sporting and non-sporting events held in the stadium. However, the Project is projected to operate at a negative cash flow for the foreseeable future. This is not uncommon among MLS franchises. According to Forbes, only 7 of the 24 teams in 2018 had positive operating income.<sup>1</sup> Of those, some teams are in very different markets (LA) or play in NFL stadiums (Atlanta, Seattle) which have significantly more seats but which is not possible in St. Louis (NFL stadiums generally no longer are allowed and the MLS requires outdoor, grass stadiums). With all that said, professional soccer in the United States is on the upswing. In 2018, the MLS' television viewership was up 6%, social following was up 10%, and attendance was up 10%. While the Project User anticipates additional annual investment, the overall sustainability is enhanced if the State authorizes tax credits and the City grants real estate tax abatement, grants a sales tax exemption on construction materials, and supports the creation of certain special taxing districts. Such public investments enables the Project User to more efficiently use its capital investments thereby helping to ensure the long-term financial sustainability of the Project

---

<sup>1</sup> See Forbes.com, *Major League Soccer's Most Valuable Teams 2018: Atlanta Stays on Top as Expansion Fees, Sale Prices Surge*, November 4, 2019, available at: <https://www.forbes.com/sites/chris-smith/2019/11/04/major-league-soccer-s-most-valuable-teams-2019-atlanta-stays-on-top-as-expansion-fees-sale-prices-surge/#2070d8cf51b5>

## **EXHIBIT B**

### **PROJECT USER BENEFICIARY INFORMATION**

(Only to be completed when the Project will be used by or will benefit a non-profit or for-profit business or other private person.)

#### **A. THE PROJECT USER OR BENEFICIARY**

Name: TKFC LC

Address: PO Box 16620

City: St. Louis State: MO Zip Code: 63105

Contact: Carolyn Kindle Betz Telephone: 314-512-2294

Title: CEO and President Fax: \_\_\_\_\_

Email: Carolyn.KindleBetz@ehi.com

#### **1. Business Organization:**

☐ Corporation

☐ C-Corporation

☐ S-Corporation

☒ LLC

☐ Partnership (☐ General ☐ Limited)

☐ Sole Proprietorship

☐ Publicly Held

☒ Privately Held

Is the Project User or the Beneficiary a subsidiary or affiliated directly with any other organization?

☐ Yes ☒ No



If so, indicate relationship and name of related organization.

Is the Project User or the Beneficiary a 501(c)(3) corporation? If so, provide Proof of Status as a not-for-profit organization.

☐ Yes ☒ No

2. Officers and Directors

<u>Title</u>	<u>Name</u>	<u>Address of Residence</u>
President	<u>Carolyn Kindle Betz</u>	600 Corporate Park Drive St. Louis, MO 63105
Vice President	_____	_____
Secretary	_____	_____
Treasurer	_____	_____
Directors	<u>Andrew C. Taylor</u>	600 Corporate Park Drive St. Louis, MO 63105
	<u>Carolyn Kindle Betz</u>	600 Corporate Park Drive St. Louis, MO 63105
	<u>James P. Kavanaugh</u>	1 World Wide Way St. Louis, MO 63146
	_____	_____

3. Principal Stockholders, Members or Partners:

<u>Name</u>	<u>%</u>	<u>City/State</u>
<u>Members of the Taylor family</u>		<u>St. Louis, Missouri</u>
<u>Members of the Kavanaugh family</u>		<u>St. Louis, Missouri</u>
_____	_____	_____
_____	_____	_____

4. Legal Counsel to the Project User or the Beneficiary:

Name: Jason P. Thein

Address: 505 N. 7<sup>th</sup> Street, Suite 2700

City, State, ZIP: St. Louis, MO 63101

Telephone: 314-552-6562

Fax: 314-552-7562

E-mail: jthein@thompsoncoburn.com

5. Project User or the Beneficiary's Principal Banker:

Name: Commerce Bank

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

6. Project User or the Beneficiary's Current Operations:

Briefly, describe the Project User's or the Beneficiary's operations, including description of existing products, facilities, services and in general, its method of operations, customers, clients and suppliers.

Operation of a Major League Soccer team and related stadium which will be used for soccer and other events.

7. Financial Statements and Ongoing Sustainability:

Attach audited financial statements for at least the last three (3) fiscal years, if available, including the most recent interim statement (not more than 90 days old). If audited financial statements are not available, please explain why and submit reviewed, compilation or other type statements. Additionally, on a separate attachment explain how the Project will be financially self-sustainable on an ongoing basis. Attach an annual income and expense Proforma for the Project demonstrating sustainability.

See attached Exhibit E for projected financial information regarding the team to be operated by the Project User. Note that such information is highly confidential and only is being disclosed on the condition that such information not be disclosed publicly.

See question 9 in Exhibit A for a discussion on the ongoing sustainability.

8. Relationship to the Project:

Describe in detail the Project User's or the Beneficiary's relationship to the Project described in the Application to which this Exhibit is attached.

The Project is the construction of a soccer specific stadium and related facilities. The Project User, TKFC LC, will operate an MLS team in the stadium. In addition, TKFC LC will seek out other events to take place in the stadium including collegiate and high school athletics, concerts, and corporate events.

9. Litigation:

Is the Project User presently involved in any litigation which could have a material effect on its financial solvency?

☐ Yes      ☒ No      If yes, please give details.

**B. CERTIFICATION OF PROJECT USER OR THE BENEFICIARY**

The undersigned hereby represents and certifies that, to the best knowledge and belief of the undersigned, this Exhibit and the Application to which it relates contains no information or data contained herein or in the exhibits or attachments, is true and correct.

Dated this 26 day of November, 2019

SIGNATURE: Carolyn K Betz

NAME: Carolyn K Betz

TITLE: CEO

**Certification**

- I certify that I am an authorized representative of the Project user or beneficiary and as such am authorized to make the statement of affirmation contained herein.
- I certify that the Project user or beneficiary does NOT employ illegal aliens and that the applicant has complied with federal law (8 U.S.C. § 1324a) requiring the examination of an appropriate document or documents to verify that an individual is not an unauthorized alien.
- I understand that if the Project user or beneficiary is found to have employed an illegal alien in Missouri and did not, for that employee examine the document(s) required by federal law, that the Project user or beneficiary shall be ineligible for any state-administered or subsidized tax credit, tax abatement or loan for a period of five years following any such finding.
- I attest that I have read and understand the Missouri Development Finance Board Tax Credit for Contribution Program guidelines, specifically as it relates to the Tax Credit Accountability Act of 2004 (SB 1099).
- I hereby agree to allow representatives of the Department and Board access to the property and applicable records as may be necessary for the administration of this program.

## **APPENDIX C**

### Authorizing Resolution

## **RESOLUTION**

**(City of St. Louis MLS Public Infrastructure Project)**

### **RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD MAKING CERTAIN FINDINGS AND DETERMINATIONS; APPROVING OF THE ISSUANCE OF TAX CREDITS PURSUANT TO THE TAX CREDIT STATUTE; AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH SUCH APPROVAL**

---

**WHEREAS**, Sections 100.286.6 to and including Section 100.286.8 of the Revised Statutes of Missouri (RSMo) (the “Tax Credit Statute”) provides that any taxpayer shall be entitled to a tax credit against any tax otherwise due under the provisions of Chapter 143, excluding the withholding tax imposed by Sections 143.191 to 143.261, Chapter 147, or Chapter 148, in the amount of fifty percent of any amount contributed in money or property by the taxpayer to the Board’s development and reserve fund, the infrastructure development fund or the export finance fund during the taxpayer’s tax year;

**WHEREAS**, the Land Clearance for Redevelopment Authority of the City of St. Louis (the “Public Entity”), has requested that the Board accept contributions pursuant to the Tax Credit Statute and make the proceeds of such contributions available to the Public Entity for the purpose of paying a portion of the cost of the project described in the revised Application for assistance submitted to the Board (the “Project” and the “Application”) for the benefit of TKFC LC (the “Project Beneficiary”).

**WHEREAS**, at a meeting of the Board held on December 3, 2019, the Public Entity and the Project Beneficiary made a presentation to the Board concerning the Project and the Application, and/or were otherwise available to answer questions at such meetings.

**WHEREAS**, the Board has determined that it is in the best interest of the citizens of the Public Entity and the State of Missouri (the “State”) that the Board approve of the issuance of the Tax Credits and authorize, execute and deliver the Tax Credit Agreement described herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE MISSOURI DEVELOPMENT FINANCE BOARD, AS FOLLOWS:**

**Section 1. Findings and Determinations.** The Board hereby finds and determines that the Project will significantly benefit the citizens of the Public Entity and the State of Missouri by: (1) assisting in paying the costs of necessary infrastructure improvements, (2) revitalizing an underdeveloped and underutilized area of the downtown west end of the City of St. Louis, (3) creating new construction jobs and new permanent jobs from the businesses that will benefit from the Project, (4) catalyzing the attraction of new economic activity in the area where the Project is located, (5) stimulating ancillary development in the areas surrounding the Project, (6) preserving and increasing tourism in the State and the St. Louis region, (7) increasing the collection of state and local income and sales tax revenues, (8) fostering expansion of the State’s and the St. Louis region’s business bases, and (9) promoting and enhancing economic development in the State and the St. Louis region.

**Section 2. Approval of Tax Credits.** The Board does hereby approve the Application. The Board does hereby authorize the acceptance of contributions in an amount not to exceed \$11,505,000 and the issuance of Tax Credits in an amount not to exceed \$5,752,500, all as more fully provided in the Tax Credit Agreement. Contributions received by the Board and disbursed to the Public Entity pursuant to the Tax Credit Agreement shall be expended by the Public Entity on the costs described in the Application; subject to (a) the Board's general conditions on the disbursement of funds, (b) any conditions contained in the memorandum of staff presenting such Application, and (c) any conditions contained in the motion to approve this Resolution.

**Section 3. Execution of Documents.** The Chair, Vice Chairman or Executive Director of the Board is hereby authorized and directed to execute and deliver the Tax Credit Agreement and any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution for and on behalf of and as the act and deed of the Board. The Secretary or the Assistant Secretary of the Board is hereby authorized and directed to attest such agreement, documents, certificates and instruments.

**Section 4. Effective Date.** This Resolution shall take effect and be in full force immediately after its adoption by the Missouri Development Finance Board.

**ADOPTED** by the Board this 17th day of March, 2020.

**MISSOURI DEVELOPMENT FINANCE BOARD**

(Seal)

By: \_\_\_\_\_  
Chair

ATTEST:

By: \_\_\_\_\_  
Assistant Secretary