

FENTON LOGISTICS PARK

TAX INCREMENT FINANCING REDEVELOPMENT PLAN

**Submitted to
Tax Increment Financing Commission
of St. Louis County, Missouri**

**FENTON LOGISTICS PARK TAX INCREMENT FINANCING
REDEVELOPMENT PLAN**

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**FENTON LOGISTICS PARK TAX INCREMENT FINANCING
REDEVELOPMENT PLAN**

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I. INTRODUCTION

The following is a plan prepared for redevelopment of certain real property in the City of Fenton, Missouri (the “City”) in St. Louis County, Missouri (the “County”) located generally at the address of 1050 Dodge Drive and commonly known as the former Chrysler Assembly Plants (the “Redevelopment Area” or “Area”). A legal description and map of the Redevelopment Area are attached hereto as **Appendix 1** and incorporated herein by this reference.

The Redevelopment Area qualifies as a blighted area under Missouri’s Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800-99.865 of the Revised Statutes of Missouri (2000) (as amended, the “TIF Act”). This Redevelopment Plan contemplates the redevelopment of the Area into a premier logistics center, which is expected to include a mix of industrial, office and retail uses consistent with market demands and zoning requirements (the “Redevelopment Project” or “Project”).

This Redevelopment Plan proposes that the County, having obtained the consent of the City as required under Section 99.815 of the TIF Act, authorize and issue one or more Tax Increment Financing Notes or other obligations (“TIF Notes”) in the amount of (a) Thirty-Four Million Six Hundred Thousand Dollars and no/100 (\$34,600,000) plus issuance costs, interest and reserves, which shall be reimbursed from the revenue stream of Payments In Lieu of Taxes (“PILOTS”) and Economic Activity Taxes (“EATS”), if any, generated by the Project over a twenty-three (23) year period, and (b) Seventeen Million Dollars and no/100 (\$17,000,000) plus issuance costs, interest and reserves, which shall be reimbursed from “New State Revenues” (as defined in Section 99.845.8 of the TIF Act) generated from incremental State withholding taxes in the Redevelopment Area generated by the Project over the same period, for an aggregate total of Fifty-One Million Six Hundred Thousand Dollars and no/100 (\$51,600,000) of TIF Notes to fund a portion of the costs of the Redevelopment Project. One hundred percent of PILOTS within the Redevelopment Area, fifty percent of EATS and one hundred percent of New State Revenues will be allocated to retire the TIF Notes subject to any limitations under the TIF Act or other Missouri law. In addition to those revenues not permitted to be collected as PILOTS or EATS by applicable law, revenues generated by utility taxes or fees collected by the City of Fenton, Missouri (collectively, “City Utility Tax Revenues”), will not be included as EATS (see Section IV.3 herein). The County may issue TIF Notes to Fenton Land Investors, LLC (or an affiliate or related entity) (the “Developer”) or a third party to evidence the County’s obligation to reimburse the Developer for a portion of the costs of the Redevelopment Project. Such TIF Notes will be paid from revenues on deposit in a dedicated “special allocation fund”, in accordance with and pursuant to the TIF Act. Upon receipt by the County of a written request by the Developer and evidence that the Developer has met certain criteria agreed upon by the County and the Developer in a Redevelopment Agreement, it is expected that the County or another entity will issue tax increment financing bonds (“TIF Bonds”) to repay the TIF Notes.

II. OVERVIEW OF TAX INCREMENT FINANCING

In order to promote the redevelopment of a declining area or to induce new activity in an area that has been lacking in growth and development, the State of Missouri (the “State”) has provided statutory tools to municipalities to assist private investment and to initiate public

investment. One such tool is the TIF Act. As defined in the TIF Act, “municipalities” means any city, village, incorporated town or county of the State.

The TIF Act allows municipalities to (1) identify and designate redevelopment areas that qualify as Blighted Areas, Conservation Areas, or Economic Development Areas (as each is defined in the TIF Act); (2) adopt a redevelopment plan that designates the redevelopment area and states the objectives to be attained and the program to be undertaken; (3) approve a redevelopment project(s) for implementation of the redevelopment plan; and (4) utilize the tools set forth in the TIF Act to assist in reducing or eliminating those conditions that cause the area to qualify as a redevelopment area. Generally, the TIF Act allows municipalities to foster economic and physical improvements in a redevelopment or project area and to enhance the tax base of all taxing districts that levy taxes in such area. Counties typically utilize tax increment financing in unincorporated areas, but the TIF Act does permit counties to implement a tax increment financing project within the boundaries of a city partially or totally within the county, so long as the county has obtained permission to implement such a project from the governing body of the city located within the county. The governing body of the City has granted permission to the County to implement the Project within the City’s municipal boundaries pursuant to Ordinance No. 3572 and that certain Consent and Cooperation Agreement by and between the City and the Developer.

The concept of tax increment financing is outlined as follows: implementation of a redevelopment project within the redevelopment area will produce increased real estate assessments attributable to the redevelopment within the area. The area then generates PILOTS on the increased assessed value of the improved property. The project also generates new EATS resulting from economic activities within the redevelopment area. The TIF Act authorizes the capture of certain PILOTS and EATS in the redevelopment or project area over and above the amount of such taxes generated in the area in the year of (with respect to PILOTS) and year before (with respect to EATS) approval of tax increment financing. If a redevelopment area meets certain additional qualifications, the TIF Act permits the State to approve the capture of new State revenues generated by a redevelopment project. Such new State revenues may be utilized by a municipality, along with a municipality’s PILOTS and EATS, to finance certain costs of developing or redeveloping the area. New development is made possible within the redevelopment area through the municipality’s use of incremental revenues to finance certain costs of developing or redeveloping the area.

The municipality segregates these incremental revenues (i.e. PILOTS, EATS and new State revenues) into a special account, the “special allocation fund,” during the period of time in which the incremental revenues are dedicated to the purposes identified in the redevelopment plan. The municipality is further authorized to pledge additional net new revenues from the project to the purposes identified in the redevelopment plan. Taxing districts also benefit from the increase in certain other taxes resulting from the increased economic activity in the redevelopment or project area. These taxes resulting from development of the redevelopment project are not deposited in the special allocation fund pursuant to the provisions of the TIF Act.

This Redevelopment Project proposes the redevelopment of the Area into a premier logistics center which is expected to include a mix of industrial, distribution, office and retail uses consistent with market demands and zoning requirements. The Project is expected to include new streets/roadways to serve the Area (requiring heavy duty street design to handle the large number of trucks and expected tonnage loads), new utilities throughout the site (exact locations and specifications to be coordinated with applicable service providers), and extensive demolition of the remaining building slabs (which cover 3,300,000 sq. ft. of the Area and range from 10 to 42 inches in thickness), footings, abandoned parking lot/paved areas (which cover over 4,400,000 sq. ft. of the site and range from 4 to 6 inches in thickness), abandoned subterranean infrastructure and utilities still in place after the 2011 demolition of the assembly plants and vertical structures.

The Redevelopment Project will provide several important public benefits to the City, the County and the entire St. Louis region. Perhaps most importantly, it would provide an opportunity to see the former Chrysler plant site brought back into productive use. The Area is vacant and in deteriorating physical condition. In its current state, the Area constitutes a significant source of blight. Redevelopment and adaptive reuse of the Area through completion of the Project will contribute to the elimination of the physical, social and economic blighting conditions that plague the Area. The Area sits at a prominent location visible from the highly-traveled Interstate 44; the vacancy of the Area represents a significant and notable gap that detracts from the Area's perception by outsiders. The renovation and rejuvenation of this site is expected to maximize the potential of the properties located in this area.

Furthermore, the Project will provide the following public benefits:

- Increase the value of this property and others around it, enhancing the tax base.
- Create an employment base that will significantly enhance the viability of other commercial developments.
- Create new permanent and temporary jobs, strengthening the job base and providing employment benefits to residents.
- The infrastructure improvements, in particular the rehabilitation of utilities and roadways, will also ensure that the overall aesthetic impact of this very visible location are updated and enhanced.
- Cure the conditions of blight that currently plague the Redevelopment Area, and would provide other significant economic and social benefits.

It is anticipated that the Redevelopment Project (i) will have no unreasonable adverse impact on traffic or traffic patterns, land uses, public utilities, or neighborhood character; (ii) will not create an undue burden upon City or County services; (iii) will not be contrary in any way to the City's zoning, land use controls, subdivision and general police powers over the Property; and (iv) will not otherwise unreasonably adversely affect the health, safety and welfare of the residents of the City or the County.

The total estimated Redevelopment Project Costs for this Redevelopment Project to be incurred by the Developer are approximately Two Hundred Twenty Two Million Three Hundred

Eighty Thousand Dollars (\$222,380,000), as set forth in greater detail in **Appendix 2**. The costs set forth in **Appendix 2** are estimated based on the knowledge of the Redevelopment Project at this time; the actual redevelopment cost for implementing the Redevelopment Project may vary depending on market conditions and other factors.

4. General Land Uses to Apply

The general land uses proposed for the Area are commercial uses permitted by applicable City zoning regulations. The majority of the Redevelopment Area, including the entirety of the western section (~285 acres), is zoned “PID” (Planned Industrial Development District). This zoning district is intended for varying intensity industrial and complementary business/commercial services. The entirety of the eastern section (~15 acres) of the Redevelopment Area is zoned “IP-1” (Industrial Park 1). The intent of this district is to accommodate a variety of industrial, highway-related businesses and their related activities.

5. Redevelopment Schedule and Estimated Dates of Completion

It is estimated that implementation of the Redevelopment Project will be completed within seventy-two (72) months following commencement of construction. Commencement of construction is expected to begin within one hundred eighty (180) days from the effective date of the TIF Ordinances contemplated herein. These dates are merely estimates, and such implementation may be accelerated or delayed as market or site conditions dictate. The estimated date for retirement of obligations incurred to finance the Redevelopment Project shall not be more than twenty-three (23) years from approval of the Redevelopment Project. The anticipated Redevelopment Project Schedule for the TIF Project is included herein as **Appendix 3**.

6. Current Equalized Assessed Value of Parcels within the Redevelopment Area

The current Equalized Assessed Value of all property in the Redevelopment Area is attached as **Appendix 4**.

7. Estimated Equalized Assessed Value after Redevelopment

The total *estimated* Equalized Assessed Value of all property subject to PILOTS in the Redevelopment Area after redevelopment and completion of the Redevelopment Project Area is approximately \$66,328,968. The calculations and assumptions pertinent to this estimate are contained in the Cost-Benefit Analysis (as defined below).

8. Acquisition

The use of eminent domain is not contemplated within the Area to complete the Redevelopment Project.

9. Blighted Area

As described in greater detail in the *Analysis of Conditions Representing a Blighted Area*

for the Fenton Logistics Park Redevelopment Area enclosed herewith and incorporated herein by this reference, the Redevelopment Area as a whole is a blighted area, and has not been subject to growth and development through investment by private enterprise and will not reasonably be expected to be developed without the adoption of tax increment financing. Fenton Land Investors, LLC has executed an affidavit attesting to the existence of these conditions, which affidavit is included herein as **Appendix 5**.

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

10. Conforms with the Comprehensive Plan of the City

The City of Fenton Comprehensive Development Plan adopted in 1997 (the “Comprehensive Plan”) identifies the Redevelopment Area as falling within the “I-44 Industrial and Business Park Corridor of Fenton” and categorizes the Area as “Industrial/Commercial” for future land use. Based on the Area’s industrial zoning designations described in Section III.4 above and the proposed commercial uses of the Project described in Section III.3 above, this Redevelopment Plan conforms with the Comprehensive Plan of the City.

11. Plan for Relocation Assistance

The relocation of residents or businesses is not anticipated to be necessary within the Redevelopment Area with respect to the Redevelopment Project as the Area is vacant and has no residents. However, to the extent any relocation is necessary, such relocation will be carried out in accordance with §101.300 of the County Code.

12. Cost-Benefit Analysis

A cost-benefit analysis (the “Cost-Benefit Analysis”) showing the fiscal impact of the Project on each taxing district impacted by this Redevelopment Plan and sufficient information to determine the financial feasibility of the Project is on file with the County.

13. Does Not Include Gambling Establishment

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

14. Reports to DED

As required by the TIF Act, the County shall report to the Department of Economic Development regarding the Redevelopment Area.

15. Historical Land Use of Property within the Redevelopment Area

The land in the Redevelopment Area was, for much of the last 60 years, used for automobile assembly purposes, with portions of the property also being used for associated rail lines. The “Saint Louis Assembly” was a Chrysler automobile factory. The South plant opened in 1959, while the North plant opened in 1966. Saint Louis North was the home of minivan production from 1987 through 1995, when it was converted to build the Dodge Ram pickup truck. Minivan production was switched to the South plant (shut down from 1991–95) in 1995 and continued there through the 2007 model year. In 2007, the North and South plants employed a combined 6,365 workers, with annual wages of an estimated at \$880 million. The total economic output associated with the plants was estimated at \$15.5 billion, and Chrysler suppliers supported approximately 2,500 additional jobs within the region.¹

In June 2008, Chrysler announced plans to shutter the South plant, consolidating all minivan manufacture in Windsor, Ontario, Canada. Production at the North plant was shut down, along with other Chrysler factories, when the company filed for bankruptcy in April 2009. Although production briefly resumed the last week of June 2009, the plant was later closed permanently in early July 2009. An estimated 43,845 jobs were lost, and it was the first time in 50 years that car production was not taking place in the St. Louis region.

In 2011, Chrysler demolished the buildings making up the North and South plants. Building slabs, footings, parking lot/paved areas, and other obsolete sub-terrain infrastructure and utilities were abandoned and left in place. The Developer purchased the Area in 2014 and worked with the City to obtain updated zoning designations for the Redevelopment Area in order to prepare it for development. In late 2015, Burlington Northern Railroad purchased approximately 105 acres of the Redevelopment Area, for possible future railroad uses.

16. Permission for County to Implement Project within Boundaries of City

As required by the TIF Act, the governing body of the City has granted permission to the County to implement the Project within the City’s municipal boundaries pursuant to Ordinance No. 3572 and that certain Consent and Cooperation Agreement by and between the City and the Developer.

IV. FINANCING PLAN

1. Eligible Redevelopment Project Costs

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

¹ See “Impact of Chrysler Closure” dated August 31, 2011 prepared by AECOM for the City of Fenton, St. Louis County Economic Council and the State of Missouri

The estimated Redevelopment Project Costs to be incurred by the Developer in connection with the TIF Project are approximately \$222,380,000 and are set forth in **Appendix 2**. More specifically, the TIF Act allows the County and/or its designated developer(s) to incur redevelopment costs associated with implementation of an approved Redevelopment Plan and approved Redevelopment Project. These costs include all reasonable or necessary costs incurred, and any costs incidental to a Redevelopment Project. Thus, this Redevelopment Plan anticipates that a portion of the sources of funds used to pay the Redevelopment Project Costs will come from the TIF revenues and New State Revenues (as described in Section 3 of this Article IV); such Redevelopment Project Costs, in accordance with the TIF Act, may include, but are not limited to:

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

The costs shown on **Appendix 2** represent the total approximate costs of the Project regardless of the source of funding. Typical plan implementation and financing costs are based on the experience of the Developer. It should be noted that these costs are based on the knowledge of the Project at this time and that the actual redevelopment costs for implementing the Redevelopment Plan and the Redevelopment Project may vary from these estimates. Furthermore, the County will be reimbursed for professional services costs to administer this Plan per Section 99.805(15) of the TIF Act.

The following table illustrates anticipated categories of estimated costs that may be

funded in part by TIF, assuming funding of up to \$51,600,000 in Redevelopment Project Costs.

CATEGORY	
\$34,615,000	Soft Costs, Financing Costs (includes, but is not limited to, loan fees, construction period interest, disbursing fees, construction monitoring and inspection fees, lender’s legal fees, loan appraisals, flood certificates, title, recording, and any and all other costs incurred by the Developers in connection with obtaining financing for the Redevelopment Project), Environmental Testing, Professional Service Costs (includes, but is not limited to, architectural, engineering, surveying, legal, marketing, advertising, financial, planning, or special services), and TIF Costs and Issuance Costs incurred by the Developer.
\$16,985,000	Site Preparation and Improvements Costs (includes, but is not limited to, site work, street and sidewalk improvements, utility work, resetting of curbs, landscaping and lighting in the right of way) and Environmental Remediation and/or Abatement Costs (includes, but is not limited to, the testing for and removal and disposal of toxic or hazardous substances or materials)).
\$51,600,000	TOTAL

It is not the intent of **Appendix 2**, the table provided above, or this Redevelopment Plan to restrict the County or the Developer to the cost amounts, categories or allocations as outlined. During the life of the Redevelopment Area, Plan, and Project, other costs may be incurred or adjustments may be made within and among the line items specified in **Appendix 2** and additional categories may be added to the extent allowed by the TIF Act, if necessary and reasonable to accomplish the program objectives of the Redevelopment Plan. Furthermore, notwithstanding any other provision hereof, it is the intent of the Plan that the costs associated with the Project that would qualify as Redevelopment Project Costs may exceed \$51,600,000, provided that the reimbursement for such costs may not exceed \$51,600,000 plus issuance costs associated with the TIF Notes.

In addition to the redevelopment project costs described above, the reasonable costs incurred by the County for the administration of this Redevelopment Plan shall be paid from tax increment revenues. The maximum annual amount of administration costs to be paid shall be set forth in the redevelopment agreement between the County and the Developer.

2. Anticipated Sources of Funding to Pay Redevelopment Project Costs

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

- Developer equity;
- Sale proceeds;
- Private financing;
- St. Louis County Tax Increment Financing;
- State Supplemental Tax Increment Financing;
- Proceeds from the sale of tax credits and/or equity from tax credit investors; and
- Funds available through the issuance of TIF notes, bonds, loans, or other certificates

of indebtedness.

The foregoing sources represent a funding package that includes participation by both public and private investors. Public participation will be in the form of (1) TIF, including participation by the State of Missouri through the appropriation of New State Revenues generated as a result of the Redevelopment Project, (2) Brownfield Remediation Tax Credits, and (3) State Tax Credits for Contribution. The anticipated types and terms of the sources of funds are set forth in more detail in **Appendix 2**. It is not the intent of **Appendix 2** or this Redevelopment Plan to restrict the State, the County or the Developer to the sources or source amounts as outlined. During the life of the Redevelopment Agreement, Plan, and Project, other sources may be found or adjustments may be made within or in addition to the sources specified in **Appendix 2**.

3. TIF Note Funding

This Redevelopment Plan proposes that the County initially authorize and issue one or more TIF Notes in an amount up to Fifty-One Million Six Hundred Thousand Dollars (\$51,600,000) plus issuance costs, interest and reserves, representing the sum of (a) Thirty-Four Million Six Hundred Thousand Dollars and no/100 (\$34,600,000) reimbursed by local PILOTS and EATS, and (b) Seventeen Million Dollars and no/100 (\$17,000,000) reimbursed from New State Revenues, to fund a portion of the Redevelopment Project Costs associated with completion of the Redevelopment Project, with a term of retirement for all such issues of not more than twenty three (23) years. The TIF Notes or other financial obligations will be issued only to finance the Redevelopment Project Costs as outlined in **Appendix 2**, which are eligible costs as specified in Section 99.805(15) of the TIF Act, including any costs of issuing the TIF Notes or other financial obligations.

The TIF Notes may be issued in one or more series and may include notes, temporary notes, or other financial obligations to be redeemed by TIF Notes upon completion of a minimum portion of the Redevelopment Project to be identified in the Redevelopment Agreement. In addition, these TIF Notes or other financial obligations may be privately placed. It is the County's intent to pay for the principal and interest on these TIF Notes or other financial obligations, in any year, solely with money legally available for such purpose within the applicable special allocation fund (the "FLP Special Allocation Fund").

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

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

from tax increment financing by Missouri law.

- C. The “New State Revenues Account” will contain one hundred percent (100%) of the New State Revenues appropriated by the State and generated by the Project.

Funds on deposit in the foregoing accounts, if any, will be pledged (but subject to annual appropriations by St. Louis County with respect to funds in the EATS Account and the State with respect to funds in the New State Revenues Account) to the payment of the Redevelopment Project Costs. Such payment obligations shall not constitute debts or liabilities of the City, the County, the State of Missouri, or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction and none of the City, the County nor the State of Missouri shall be liable thereon except from such accounts.

Without limiting the foregoing, the Developer has agreed with the City to waive and release any and all rights and claims to revenues from City Utility Tax Revenues from time to time imposed on or resulting from the Redevelopment Area or any portion thereof or any amounts. Any City Utility Tax Revenues collected and deposited in the FLP Special Allocation Fund shall be characterized and classified as either “taxing districts’ capital costs” or “surplus funds” (as such terms are defined and used in the TIF Act), as may be necessary to ensure that any such City Utility Tax Revenues collected and deposited in the FLP Special Allocation Fund are promptly distributed back to the City within thirty (30) days of deposit into the FLP Special Allocation Fund.

- 4. *Evidence of Commitment to Finance Redevelopment Project Costs*

Appendix 6 contains a preliminary commitment letter providing evidence of a commitment to provide financing of Redevelopment Project Costs associated with the Redevelopment Project.

APPENDIX 1

**FENTON LOGISTICS PARK TIF REDEVELOPMENT PLAN
MAP AND GENERAL DESCRIPTION OF REDEVELOPMENT AREA**



APPENDIX 2

**FENTON LOGISTICS PARK TIF REDEVELOPMENT PLAN
ANTICIPATED SOURCES AND USES OF FUNDS**

ANTICIPATED SOURCES AND USES							
USES OF FUNDS							Total
	Acquisition						\$ 16,400,000
	Soft Costs and Professional Fees						\$ 34,645,694
						\$ 1,800,000	
						\$ 700,000	
*All expected to be reimbursable with TIF/SuperTIF						\$ 200,000	
						\$ 15,435,000	
						\$ 3,240,000	
						\$ 1,800,000	
						\$ 628,472	
						\$ 628,472	
						\$ 10,213,750	
					(assumed 5% annual interest on KP construction costs)		
	Site Work						\$ 16,985,000
*All expected to be reimbursable with TIF/SuperTIF						\$ 5,000,000	
						\$ 2,500,000	
						\$ 550,000	
						\$ 935,000	
						\$ 1,000,000	
						\$ 4,000,000	
						\$ 3,000,000	
	Developer Building Construction Costs						\$ 154,350,000
		Total Per SF	Total SF		Soft Cost Portion	Total Soft/Hard Costs	
*Only the "soft cost" portion of these costs assumed to be reimbursable with TIF/Super TIF	Office	\$ 230.00	290,000	15%	\$ 10,005,000	\$ 66,700,000	
	Industrial	\$ 115.00	1,185,000	12%	\$ 16,353,000	\$ 136,275,000	
	Retail	\$ 150.00	40,000	20%	\$ 1,200,000	\$ 6,000,000	
	Office/Warehouse	\$ 145.00	480,000	15%	\$ 10,440,000	\$ 69,600,000	
	Restaurants/Hotel	\$ 250.00	142,500	20%	\$ 7,125,000	\$ 35,625,000	
					\$ 45,123,000	\$ 314,200,000	
	Proposed construction costs attributable to tracts being sold					\$ 159,850,000	
	Total Developer Development Costs						\$ 222,380,694
	*Total Costs Expected to be Eligible for Reimbursement from Incentives					\$ 90,197,260	
SOURCES OF FUNDS							
	Construction Debt/Equity						\$ 150,777,042
	Sale of Back Acreage						\$ 14,933,652
	Brownfield Tax Credits - Sale Proceeds of \$2,500,000 in Credits						\$ 2,250,000
	Tax Increment Financing				\$34,826,491	\$34,600,000	
	State TIF (assumes 25% displacement)				\$17,320,091	\$ 17,000,000	
	Tax Credit for Contribution - Sale Proceeds of \$3,000,000 in Credits						\$ 2,820,000
	Total Development Sources						\$ 222,380,694

APPENDIX 3
FENTON LOGISTICS PARK TIF REDEVELOPMENT PLAN
ANTICIPATED REDEVELOPMENT PROJECT SCHEDULE

<u>Use</u>	<u>Bldg SF</u>	<u>Occupancy</u>
Hotel	60,000	2019
Small Format Retail	20,000	2017
Restaurants	8,000	2017
Restaurants	8,000	2018
Small Format Retail	20,000	2018
Office	90,000	2020
Office	100,000	2017
Office	100,000	2018
Restaurants	6,500	2018
Hotel	60,000	2018
Office/WH	60,000	2018
Office/WH	60,000	2018
Office/WH	40,000	2019
Office/WH	160,000	2017
Office/WH	160,000	2018
Industrial	160,000	2019
Industrial	165,000	2018
Industrial	425,000	2017
Industrial	350,000	2020
Industrial	35,000	2017
Industrial	50,000	2019

**** ALL DATES, USES AND SIZES ARE TENTATIVE AND SUBJECT TO CHANGE**

APPENDIX 4

**FENTON LOGISTICS PARK TIF REDEVELOPMENT PLAN
CURRENT AND HISTORICAL INFORMATION CONCERNING
THE EQUALIZED ASSESSED VALUE WITHIN THE REDEVELOPMENT AREA**

Parcel Locator Number	2015 EAV	2010 EAV	2005 EAV
26O530011	\$ 262,400	\$ 294,980	\$ 295,000
26O530022	\$ 157,440	\$ 960,000	\$ 636,100
26O420011/26O430043	\$ 4,282,160	\$ 832,000	\$ 21,645,410

APPENDIX 5

FENTON LOGISTICS PARK TIF REDEVELOPMENT PLAN

DEVELOPER'S AFFIDAVIT

STATE OF MISSOURI)
)
COUNTY OF ST. LOUIS)

AFFIDAVIT

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

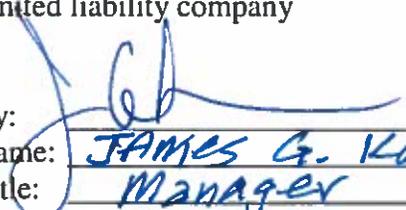
The undersigned swears, affirms and certifies the following to be true to induce the approval of tax increment financing for the Fenton Logistics Park Tax Increment Financing Redevelopment Plan (the "Redevelopment Plan").

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

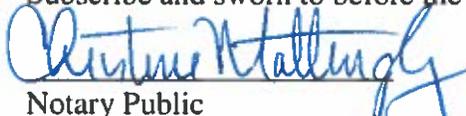
2. I am familiar with the Redevelopment Area described in the Redevelopment Plan. In my opinion, based on the factors set forth in the Redevelopment Plan, the Redevelopment Area, on the whole, qualifies as a "blighted area" as defined in Section 99.805(1) of the Missouri Revised Statutes, and has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing.

And Further Affiant Sayeth Not.

Fenton Land Investors, LLC, a Missouri limited liability company

By: 
Name: JAMES G. KOMAN
Title: Manager

Subscribe and sworn to before me this 15 day of June, 2016.


Notary Public

My Commission Expires: 8-10-19

CHRISTINE MATTINGLY
Notary Public - Notary Seal
State of Missouri
Commissioned for Jefferson County
My Commission Expires: August 10, 2019
Commission Number: 15535228

APPENDIX 6

FENTON LOGISTICS PARK TIF REDEVELOPMENT PLAN

EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS



**Associated
Bank**

Commercial Real Estate

June 13, 2016

Mr. Jim Koman
Fenton Land Investors, LLC
c/o KP Development
8025 Forsyth Blvd.
St. Louis, Missouri 63015

Re: Proposed Fenton Logistics Park Redevelopment Project

Dear Mr. Koman:

The purpose of this letter is to evidence the preliminary commitment of Associated Bank (the "Bank") to provide financing for the proposed redevelopment of the former Chrysler Assembly Plants located in St. Louis County, Missouri into Fenton Logistics Park (the "Project"). This correspondence is intended as a preliminary expression of the Bank's commitment to this Project, and the potential funding of this Project is subject to several contingencies, including (i) the review of customary due diligence, (ii) the required approvals for and issuance of the necessary public financing incentives (collectively, the "Incentives") including, but not limited to, tax increment financing from St. Louis County, state supplemental tax increment financing from the State of Missouri, and certain state tax credits, and (iii) the review and approval of the Associated Bank's Loan Committee, acting in its sole subjective discretion.

As we have discussed, financing of the Project would not be feasible without the assistance of the Incentives. Therefore, please be advised that we are excited to provide financing for the Project should the Project receive the necessary Incentives.

Should you have any questions, please do not hesitate to call me at 314.725.0075.

Sincerely,

Jessica A. Brandom
Senior Vice President

