

RESOLUTION NO. 389

A RESOLUTION APPROVING A PROPOSAL FOR THE CHESTERFIELD BLUE VALLEY COMMUNITY IMPROVEMENT DISTRICT; ESTABLISHING THE PARAMETERS FOR A PETITION TO ESTABLISH SAID COMMUNITY IMPROVEMENT DISTRICT; AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY FUNDING AGREEMENT; AND AUTHORIZING SUCH OTHER ACTIONS AS MAY BE NECESSARY OR DESIRABLE TO CARRY OUT AND COMPLY WITH THE INTENT HEREOF

WHEREAS, the City of Chesterfield, Missouri (the "City"), is authorized and empowered pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), to establish a community improvement district as a political subdivision of the State of Missouri; and

WHEREAS, on November 19, 2007, the City Council approved a "Community Improvement District Policy" (the "CID Policy") setting forth the policy for considering the establishment of community improvement districts in accordance with state law; and

WHEREAS, the CID Policy provides that any party seeking the establishment of a community improvement district submit an application to the City Council outlining the anticipated costs and benefits associated with the projects proposed; and

WHEREAS, on January 3, 2012, Chesterfield Blue Valley, LLC ("CBV") filed an application with the City Council in conformance with the CID Policy and as attached hereto and incorporated herein as Exhibit A (the "CBV Proposal"), which CBV Proposal outlined the company's proposal to establish the Chesterfield Blue Valley Community Improvement District (the "CBV CID") to construct and finance the development of approximately 139 acres of real property within the jurisdiction of the City (the "CID Project"); and

WHEREAS, on January 30, 2012, the Finance and Administration Committee of the City Council reviewed the CBV Proposal and, after consultation with CBV, City staff and the City's special legal counsel, recommended that the CBV Proposal be forwarded to the City Council for consideration; and

WHEREAS, the City Council has reviewed the CBV Proposal and determined that it would be in the best interests of the City and its residents to proceed with the preparation and consideration of a formal petition to establish the CBV CID (the "CID Petition") as further provided in the CID Act and the CID Policy, in accordance with certain parameters; and

WHEREAS, to assist with the City's review the CID Petition, the City and CBV desire to enter into a preliminary funding agreement in substantially the form attached hereto and incorporated herein as Exhibit B (the "Preliminary Funding Agreement") whereby CBV would advance certain funds necessary to pay the City's legal and consulting fees related to its consideration of the CID Petition and the CBV CID;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CHESTERFIELD, MISSOURI, AS FOLLOWS:

Section 1. The CBV Proposal attached hereto and incorporated herein as Exhibit A is conceptually approved with such modifications as are set forth in Section 2 below.

Section 2. The City staff is hereby authorized to work with CBV to prepare the CID Petition in accordance with the following parameters:

- (a) The principal amount of the obligations issued to finance the CID Project shall not exceed \$30,000,000 plus costs of issuance, accrued interest, capitalized interest, a debt service reserve fund and reasonable administrative fees related to the operation of the CBV CID;
- (b) The approval of the CBV CID shall be subject to CBV developing, or causing to be developed, a high-end retail outlet site within the boundaries of the CBV CID, and the CID Project will be authorized to support the development of such high-end retail outlet site and related retail activities and public infrastructure associated therewith;
- (c) The total parcels and area within the boundaries of the CBV CID shall not exceed such parcels and area identified in Section 4 and Exhibit 5 of the CBV Proposal, and any expansion of the boundaries of the CBV CID shall not occur without the express consent and approval of the City as further provided in the CID Act;
- (d) The CID Petition and the development agreement referenced in Section 4 below shall also include a budget providing for the allocation of the costs of the CID Project between the high-end retail outlet site and the related retail activities within the boundaries of the CBV CID, all in a manner mutually acceptable to the City and CBV; and
- (e) The CBV CID shall not file notice of the results of any election to impose a sales and use tax with the director of the department of revenue per Section 67.1545 of the CID Act until: (a) CBV has transferred its interest in the portion of the real property underlying the CBV CID to be developed as a retail outlet mall to Simon Property Group, Inc. and/or The Woodmont Company, or a related entity, and (b) CBV (or its successors or assigns) has incurred at least \$10,000,000 in hard construction costs related to the CID Project; provided, however, that if neither of these events has occurred on or before February 28, 2014, then no such notice shall be filed and the City Council the CBV CID will be terminated.

Section 3. The City Council hereby approves the Preliminary Funding Agreement in substantially the form attached hereto and incorporated herein as Exhibit B, and the City Administrator is hereby authorized and directed to execute and deliver the Preliminary Funding Agreement for and on behalf of and as the act and deed of the City, with such changes therein as shall be approved by the officials of the City executing the Preliminary Funding Agreement, such official's signature thereon being conclusive evidence of their approval thereof. The City Clerk is hereby authorized and directed to attest to the Preliminary Funding Agreement.

Section 4. While the City Council has authorized the preparation of the CID Petition, the consideration of an ordinance approving the CID Petition shall be subject to concurrent consideration of an ordinance authorizing the execution of a development agreement governing the operation and administration of the CBV CID and the construction and financing of the CID Project.

Section 5. The City shall, and the officers and agents of the City are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 6. This Resolution shall be in full force and effect from and after its passage of the City Council and approval by the Mayor.

Passed and approved this 6th day of February, 2012.

Bruce Heiger
MAYOR

(SEAL)

ATTEST:

Judith A. Naggen
CITY CLERK