

AN ORDINANCE APPROVING THE CREATION OF A TRANSPORTATION DEVELOPMENT DISTRICT IN CONNECTION WITH THE ARNOLD TRIANGLE REDEVELOPMENT PROJECT AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH.

WHEREAS, on May 4, 2006, the City Council of the City of Arnold, Missouri (the "City") adopted (1) pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "Act"), Ordinance No. 14.377 approving the 2006 Amendment, Arnold Triangle Redevelopment Area, Tax Increment Financing Redevelopment Plan & Project, approving the project described therein (the "Redevelopment Project") and designating a portion of the City as a "redevelopment area" (the "Redevelopment Area"), and (2) Ordinance No. 14.387 authorizing the City to enter into an Amended and Restated Redevelopment Agreement (the "Redevelopment Agreement") with THF Arnold Triangle Development, L.L.C. (the "Developer") and Arnold Triangle Project, Inc., and an Amended and Restated District Development Agreement (the "District Project Agreement") with the Developer, and, following their formation and ratification of the District Project Agreement, the Arnold Triangle Community Improvement District and the Arnold Triangle Transportation Development District (the "District"); and

WHEREAS, pursuant to the Redevelopment Agreement and the District Project Agreement, the City and the Developer agreed that the District shall be created for the purpose of providing tax revenues to fund the construction and implementation of certain projects related to the Redevelopment Project (the "Transportation Project") which constitute a "project" within the meaning of Sections 238.200 to 238.275 of the Revised Statutes of Missouri, as amended (the "TDD Act"); and

WHEREAS, the City Council hereby finds that the Transportation Project will significantly improve the safety and welfare of the citizens of the City, enhance the economic viability of the Redevelopment Area, and otherwise benefit the residents and businesses within the City;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARNOLD, MISSOURI, AS FOLLOWS:

Section 1. The City Council finds and determines that it is in the best interests of the City to create the District for the purpose of funding the costs of certain transportation-related improvements in connection with the Redevelopment Project.

Section 2. The Petition for the Creation of a Transportation Development District, in substantially the form attached as **Exhibit A** attached hereto, is hereby approved.

Section 3. The Law Office of Robert Sweeney, Esq., and Gilmore & Bell, P.C., are hereby authorized and directed to execute the Petition for the Creation of a Transportation Development District, and are further authorized and directed to take such other steps as are necessary to create and implement the transportation development district in accordance with Chapter 238 of the Revised Statutes of Missouri, as amended.

Section 4. This Ordinance shall be in full force and effect from and after the date of its passage by the City Council and approval by the Mayor.

PASSED by the City Council and APPROVED by the Mayor this 18th day of May, 2006.



Mayor

(SEAL)

ATTEST:



City Clerk

Approved as to form:



City Attorney

1st Reading: 5-18-06

2nd Reading: 5-18-06

EXHIBIT A

**FORM OF THE PETITION FOR THE
CREATION OF A TRANSPORTATION DEVELOPMENT DISTRICT**

IN THE CIRCUIT COURT OF THE COUNTY OF JEFFERSON,
STATE OF MISSOURI

IN RE THE FORMATION OF THE ARNOLD TRIANGLE)
TRANSPORTATION DEVELOPMENT DISTRICT,)

CITY OF ARNOLD, MISSOURI,)
a Missouri political subdivision,)

Petitioner,)

v.)

Cause No. _____

MISSOURI HIGHWAYS AND)
TRANSPORTATION COMMISSION)

105 West Capitol Avenue)
Jefferson City, Missouri 65101)

SERVE: Mari Ann Winters)
Secretary to the Commission)
105 West Capitol Avenue)
Jefferson City, Missouri 65101,)

Respondent.)

PETITION FOR THE FORMATION OF
A TRANSPORTATION DEVELOPMENT DISTRICT

COME NOW Petitioner, by and through its attorneys, and pursuant to the Missouri Transportation Development District Act, Sections 238.200 to 238.275 of the Revised Statutes of Missouri, as amended (the "TDD Act"), petitions the Court for the purpose of forming a transportation development district (the "District"), and in support states as follows:

THE PARTIES

1. Petitioner City of Arnold, Missouri (the "City"), is an incorporated political subdivision of the State of Missouri and is the owner of record of all of the real property located within the proposed District. Petitioner is also a "local transportation authority" within the meaning of Section 238.202.1(4) of the TDD Act and an "affected local transportation authority" under Section 238.207.4(2) of the TDD Act.
2. Respondent Missouri Highways and Transportation Commission (the "Commission") is the constitutional authority responsible for constructing and maintaining the Missouri highway system and is a necessary party under Section 238.207.4(2) of the TDD Act.

BACKGROUND

3. On November 20, 2003, the City Council of the City adopted Ordinance No. 8.184, creating the Tax Increment Financing Commission of the City of Arnold, Missouri (the "TIF Commission") and empowered the TIF Commission to transact business and exercise its powers authorized by the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "TIF Act").

4. On March 1, 2004, the City published in the *St. Louis Post-Dispatch*, a newspaper of general circulation within the City, a notice soliciting proposals for the redevelopment of the property generally located in the southwest quadrant of the intersection of Interstate 55 and U.S. Highway 141 in the City (the "Original Redevelopment Area"). In response to a solicitation of proposals by the City, THF Arnold Triangle Development, L.L.C. (the "Developer") submitted a proposal (the "Redevelopment Proposal") for redevelopment of the Redevelopment Area to the City.

5. Following a public hearing held on January 19, 2005, in accordance with the TIF Act, the TIF Commission recommended that the City: (a) approve the Redevelopment Plan for the Arnold Triangle Redevelopment Area (the "Original Redevelopment Plan"), (b) approve and designate the Original Redevelopment Area as a "redevelopment area" as provided in the TIF Act, (c) approve the redevelopment projects described in the Redevelopment Plan (the "Original Redevelopment Project") and (4) adopt tax increment financing with respect to the Original Redevelopment Project.

6. On September 15, 2005, after due consideration of the TIF Commission's recommendations, the City Council adopted (1) Ordinance No. 14.376 approving the Original Redevelopment Plan, designating the Original Redevelopment Area as a "redevelopment area" as provided in the TIF Act, approving the Original Redevelopment Project and adopting tax increment financing within the Original Redevelopment Area, and (2) Ordinance No. 14.377 designating the Developer as the developer and authorizing the City to enter into a Redevelopment Agreement with the Developer and a District Development Agreement with the Developer, and, following their formation and

ratification of the District Project Agreement, the Arnold Triangle Community Improvement District and the District.

7. The City Council determined that, upon the advice of the City's staff and consultants and the Developer, it would be desirable to amend the Original Redevelopment Plan and the Original Redevelopment Project to enlarge the boundaries of the Original Redevelopment Area.

8. Following a public hearing held on March 8, 2006, continued to and concluded on March 22, 2006, in accordance with the TIF Act, the TIF Commission recommended that the City: (a) approve the 2006 Amendment, Arnold Triangle Redevelopment Area, Tax Increment Financing Redevelopment Plan & Project (the "2006 Amendment" and, collectively with the Original Redevelopment Plan, the "Redevelopment Plan"), (b) approve and designate the amended redevelopment area as a "redevelopment area" as provided in the TIF Act (as amended, the "Redevelopment Area"), (c) approve the redevelopment projects described in the Redevelopment Plan (as amended, the "Redevelopment Project") and (4) adopt tax increment financing with respect to the Redevelopment Project.

9. The Redevelopment Area is generally bounded by Interstate 55 on the east, State Highway 141 on the north and Church Road on the west, but will also incorporate 15 parcels on the western side of Church Road and four (4) parcels northwest of the intersection of Big Bill Boulevard and Church Road.

10. On May 4, 2006, after due consideration of the TIF Commission's recommendations, the City Council adopted (1) Ordinance No. 14.377 approving the Redevelopment Plan, designating the Redevelopment Area as a "redevelopment area" as provided in the TIF Act and approving the Redevelopment Project, and (2) Ordinance No. 14.387 authorizing the City to enter into an Amended and Restated Redevelopment Agreement (the "Redevelopment Agreement") with the Development and Arnold Triangle Project, Inc., and an Amended and Restated District Development Agreement (the "District Project Agreement") with the Developer, and, following their formation and ratification of the District Project Agreement, the Arnold Triangle Community Improvement District and the District.

11. Pursuant to the Redevelopment Agreement and the District Project Agreement, the City and the Developer agreed that the District shall be created for the purpose of providing tax revenues to fund the construction and implementation of certain projects related to the Redevelopment Project which constitute a “project” within the meaning of the TDD Act (the “Transportation Project”).

12. The City desires to create the District under the TDD Act for the sole purpose of funding the Transportation Project through the imposition of a transportation development district sales tax (the “Sales Tax”) pursuant to Section 238.235 of the TDD Act. The proceeds of the Sales Tax will be deposited into a special trust fund and used for the sole purpose of funding the Transportation Project.

PETITION REQUIREMENTS

13. There are no persons eligible to be registered voters residing within the proposed District.

14. The name and address of the owner of record of all real property located within the proposed District is as follows:

City of Arnold, Missouri
2101 Jeffco Boulevard
Arnold, Missouri 63010

15. The name and address of each Respondent is as follows:

Missouri Highways and Transportation Commission
105 West Capitol Avenue
Jefferson City, Missouri 65102

16. The proposed District is contiguous.

17. A legal description of the property to be included in the proposed District is contained in **Exhibit A** and shown on the map that is contained in **Exhibit B**, copies of which are attached hereto and incorporated herein.

18. Petitioner proposes that certain transportation-related improvements be undertaken by the District (collectively, the “Transportation Project”). A general description and location of the Transportation Project is contained in **Exhibit C** attached hereto and incorporated herein.

19. The name of the proposed District will be the “Arnold Triangle Transportation Development District.”

20. The board of directors of the District will be composed of five (5) members.

21. The terms of office of the initial members of the board of directors of the District will be staggered, the two (2) members receiving the highest number of votes will have an initial three-year term, the two (2) members receiving the next highest number of votes will have an initial two-year term, and the one (1) member receiving the fewest votes will have an initial one-year term. After the initial terms, all members of the board of directors of the District will be elected for three-year terms. The City and the Commission shall each appoint one advisor to the board of directors of the District as provided in Sections 238.220.4 and 238.220.5 of the TDD Act.

22. The Transportation Project will be funded from the proceeds of a sales tax imposed by the District upon approval of the qualified voters of the proposed District pursuant to the TDD Act (the "Sales Tax"). Pursuant to the TDD Act, the Sales Tax may be imposed at a rate of one-eighth of one percent up to a maximum of one percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within the District, if such property and services are subject to taxation by the State of Missouri pursuant to the provisions of Sections 144.010 to 144.525 of the Revised Statutes of Missouri, as amended, except such Sales Tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard motors nor to public utilities. Pursuant to the Redevelopment Agreement and the District Project Agreement, the board of directors of the proposed District will adopt a resolution imposing the Sales Tax at a rate of up to one percent (1%) and will request that the Sales Tax be submitted to the qualified voters for approval. Pursuant to the TDD Act, all proceeds of the Sales Tax shall be applied for the sole purpose of funding the Transportation Project; provided that the District may deduct from such Sales Tax revenues the District's reasonable and actual cost of administering, collecting, enforcing the Sales Tax and costs of operating the District in the reasonable exercise of its discretion and the costs of filing and defending this Petition pursuant to Section 238.217 of the TDD Act.

23. Pursuant to Section 238.250 of the TDD Act, the Redevelopment Agreement and the District Project Agreement, the District will ratify the terms of the District Project Agreement whereby the District shall designate the City and the Developer as its agents for the purpose of constructing the

Transportation Project and the District shall issue TDD Obligations (as defined in the District Project Agreement) to the City and the Developer as reimbursement for the costs incurred in constructing and implementing the Transportation Project. The District shall pledge, subject to appropriation, the available revenues generated from the Sales Tax to the repayment of the TDD Obligations.

24. The proposed District will not be an undue burden on any owner of property within the District and is not unjust or unreasonable.

DISSOLUTION OF THE DISTRICT AND REPEAL OF THE SALES TAX

25. The Petitioner, as the owner of record of all real property located within the proposed District, may file a petition with the Circuit Court seeking to dissolve the District prior to the meeting at which the board of directors of the District will be elected. After election of the board of directors of the District, the District shall be dissolved only in compliance with Section 238.275 of the TDD Act.

26. In no event shall the Sales Tax be repealed, in whole or in part, nor shall the District be dissolved, unless such repeal or dissolution does not impair the payment of any notes, bonds or other obligations (which may include tax increment revenue notes or bonds that are payable in part from the Sales Tax).

WHEREFORE, the Petitioner requests that the Court enter a judgment and decree pursuant to the TDD Act:

1. Finding and certifying that the Petition is not legally defective and that the Respondent has been duly served with process in this action;
2. Finding and certifying that the proposed District is contiguous;
3. Finding and certifying that the proposed District is neither illegal nor unconstitutional;
4. Finding and certifying that the proposed District is properly, duly and lawfully organized;
5. Finding and certifying that the proposed District is established as a political subdivision pursuant to and in accordance with the TDD Act for the sole purpose of funding the Transportation Project through the imposition of the Sales Tax;

6. Finding and certifying that the proposed funding method and mechanism is neither illegal nor unconstitutional and is certified for qualified voter approval pursuant to Section 238.210.2 of the TDD Act;

7. Finding and certifying that the proposed District is not an undue burden on any owner of property within the District and is not unjust or unreasonable;

8. Finding that there are no persons eligible to be registered voters residing within the District and that the owners of record of the real property located within the District are the “qualified voters” pursuant to the TDD Act;

9. Ordering the Circuit Court Clerk of Jefferson County to give notice of and to call a meeting of the owners of record of real property within the District at a specified day and hour in a public place in Jefferson County, Missouri, for the purpose of electing the initial board of directors of the District and a chairman and secretary of the meeting to conduct the election;

10. Ordering the Circuit Court Clerk of Jefferson County to give notice of and to call a meeting of the board of directors of the District at a specified day and hour in a public place in Jefferson County, Missouri;

11. Ordering that, upon approval and adoption of a resolution by the board of directors of the District imposing the Sales Tax, an election be held in conformance with the requirements of Section 238.216 of the TDD Act, at which election the qualified voters of the District will consider whether to impose the Sales Tax;

12. Ordering that, upon submission of any ballot by unanimous petition submitted pursuant to Section 238.216.1(3) of the TDD Act, the Circuit Court Clerk of Jefferson County, Missouri, shall verify the authenticity of all signatures thereon, pursuant to Section 238.216 of the TDD Act, by certifying all signatures have been duly notarized; and

13. Petitioner further requests the Court make any additional findings and orders and grant such other further relief which the Court deems necessary and proper.

Respectfully submitted,

GILMORE & BELL, P.C.

By:

Mark D. Grimm, #34660
Shannon W. Creighton #52465
One Metropolitan Square, Suite 2350
St. Louis, Missouri 63102
(314) 436-1000
(314) 436-1166 (Facsimile)

ROBERT SWEENEY, ESQ.

By:

Robert Sweeney, #
9506 Big Bend Road
Kirkwood, Missouri 63122
(314) 821-9882
(314) 436-1166 (Facsimile)

Attorneys for Petitioner
City of Arnold, Missouri

EXHIBIT A

LEGAL DESCRIPTION OF DISTRICT BOUNDARIES

Parcel ID	Legal Description
019.030.01003004.	Lots 1 & 2 Beckers Add. Maxville
019.030.01003005.	Lots 3 Beckers Add. Maxville & Part Lot 17 U.S. Survey 2991
019.030.01003006.	Part Lot 17 U.S. Survey 2991
019.030.01003006.01	Lot 4 & part Lot 5 Hubert Beckers Add. Maxville
019.030.01003007.01	Part Lots 5 & 6 Beckers Add. Maxville
019.030.01003008.	Part Lot 17 U.S. Survey 2991
019.030.01003009.	Part Lot 17 U.S. Survey 2991
019.030.01003010.	Part Lot 17 U.S. Survey 2991
019.030.01003011.	Part Lot 17 U.S. Survey 2991
019.030.01003012.	Lot 26 Stardust Acres

EXHIBIT B

MAP OF DISTRICT BOUNDARIES

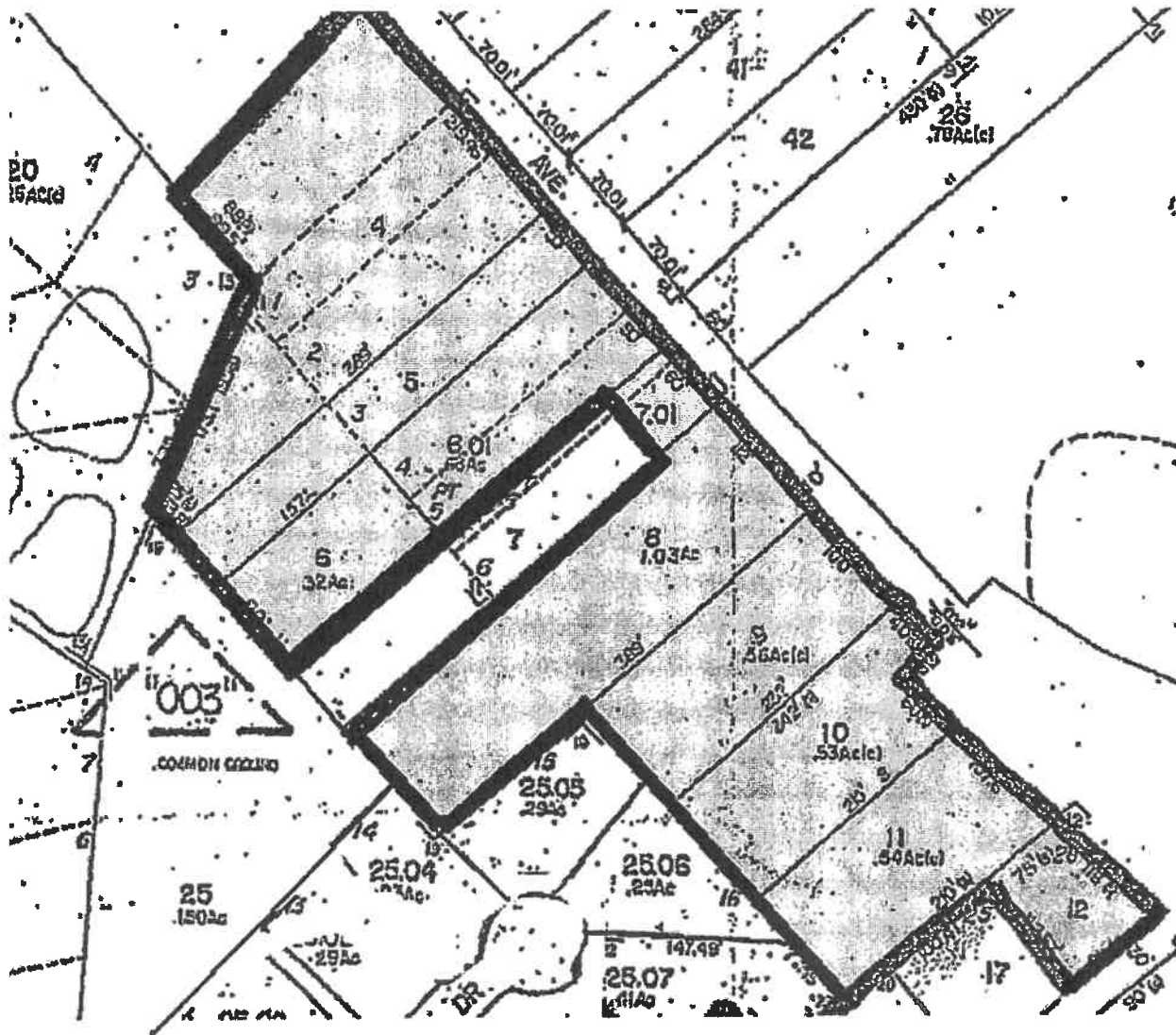


EXHIBIT C

DESCRIPTION OF TRANSPORTATION PROJECT

The Transportation Project consists of the construction of various road improvements in and around the District, including but not limited to, the construction of a relocated Church Road, the construction of a new intersection of Church Road, Missouri State Road and Old Lemay Ferry Road, the construction of a new intersection of Church Road and Big Bill Road, acceleration and de-acceleration lanes along the south side of Highway 141, the construction of a relocated Big Bill Road and the construction of internal roads, all as depicted on Exhibits C-1 and C-2 attached hereto.

The Transportation Project shall also include the following costs, to the extent related to the above improvements: (1) costs for demolition, earth work, utility construction and relocation; (2) right-of-way and other land acquisition costs required for the above improvements; (3) the costs associated with the operation and maintenance of the Transportation Project; (4) costs for replacement of existing roadway surfaces, curbs and gutters or replacement or installation of sidewalks, traffic/pedestrian signalization, signage, street lighting and landscaping; (5) costs for professional fees, financing costs and insurance; and (6) the administrative, legal and accounting costs associated with the creation and continuation of the District.

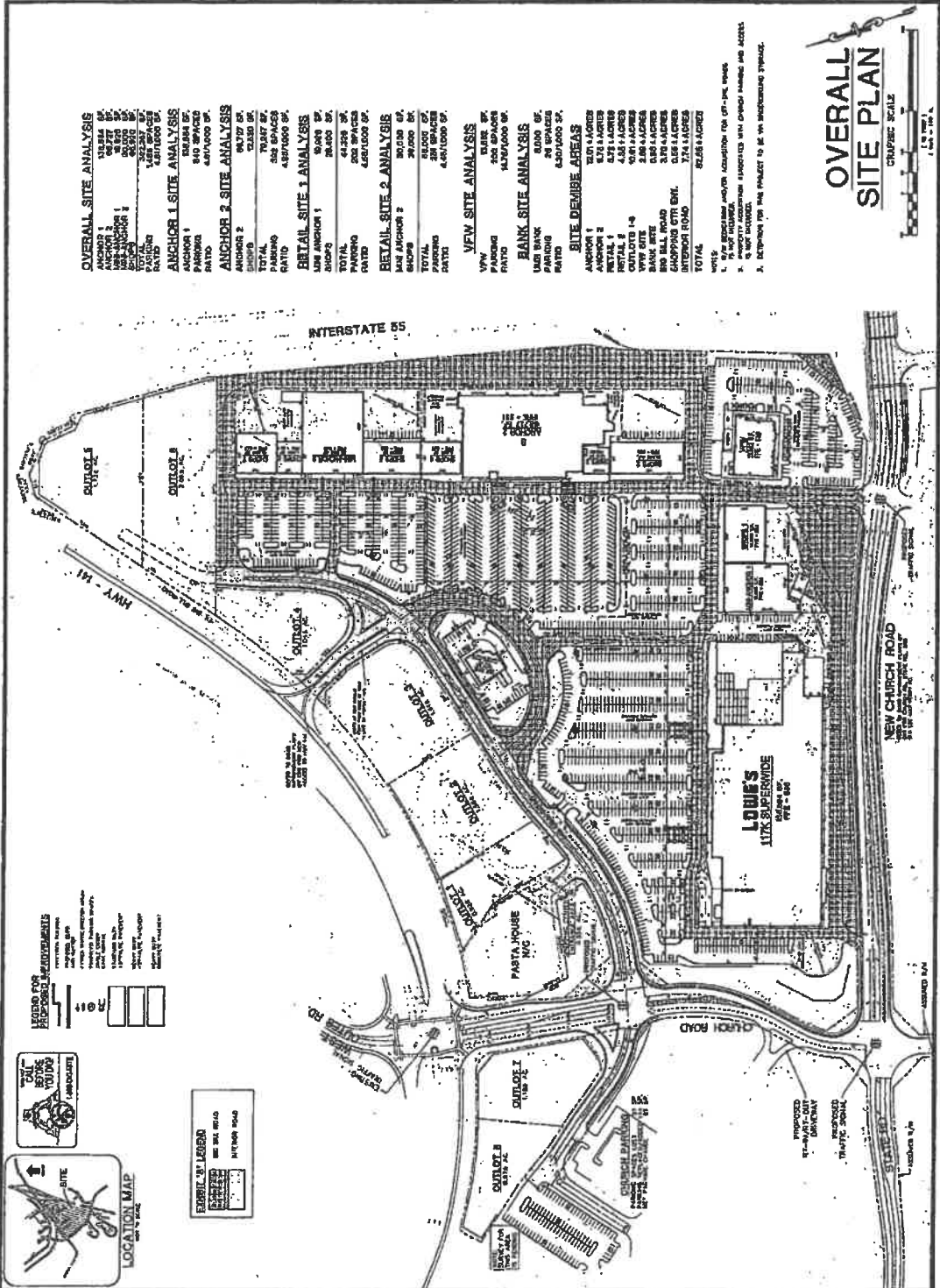
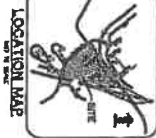
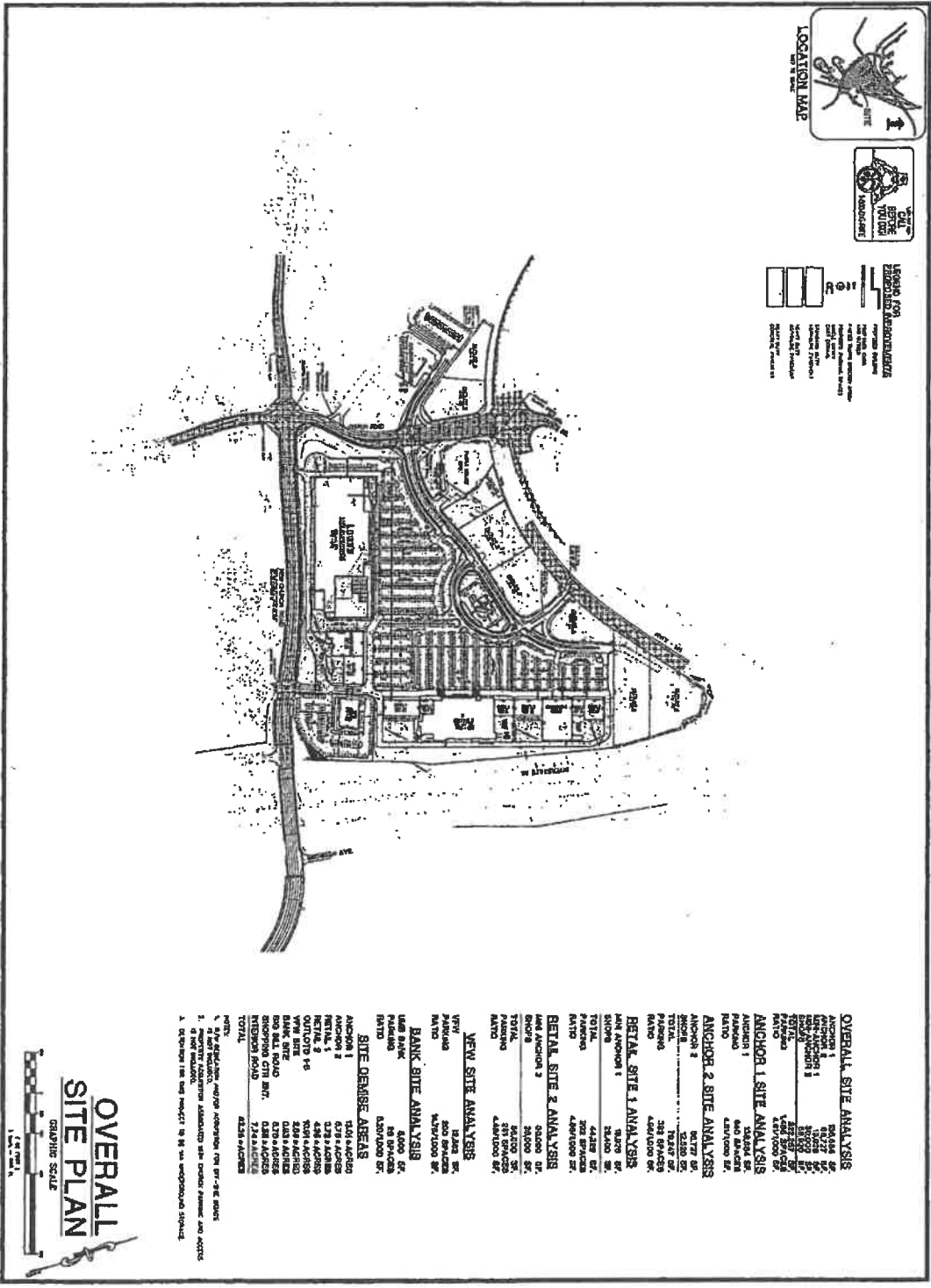


EXHIBIT C-1

EXHIBIT C-2



LEGEND FOR RESPONSIBILITIES

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OVERALL SITE PLAN

GRAPHIC SCALE
1" = 100'

OVERALL SITE ANALYSIS

ANCHOR 1	12,000 SF
ANCHOR 2	25,000 SF
RETAIL SITE 1	4,000 SF
RETAIL SITE 2	3,000 SF
RETAIL SITE 3	2,000 SF
RETAIL SITE 4	1,500 SF
RETAIL SITE 5	1,000 SF
RETAIL SITE 6	800 SF
RETAIL SITE 7	600 SF
RETAIL SITE 8	400 SF
RETAIL SITE 9	300 SF
RETAIL SITE 10	200 SF
RETAIL SITE 11	150 SF
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<p>Project Title PROPOSED COMMERCIAL DEVELOPMENT ARNOLD, MO. BY: THE ARNOLD DEVELOPMENT, L.L.C. ST. LOUIS, MO.</p>		<p>Wolverton & Associates Consulting Engineers & Land Surveyors 2100 Hampton Avenue • Suite 200 • South St. Louis, MO 63114 Phone: 314.241.4400 • Fax: 314.241.4401 www.wolverton.com</p>	
DATE	02/15/10	BY	AKS
DESIGNED BY	AKS	CHECKED BY	AKS
SCALE	AS SHOWN	DATE	02/15/10

314-438-1000
FAX: 314-438-1188
WWW.GILMOREBELL.COM

GILMORE &
A PROFESSIONAL CORP
ATTORNEYS AT L
ONE METROPOLITAN S
211 NORTH BROADWAY, S
ST. LOUIS, MISSOURI 63

Bill 2156

MEMORANDU

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To: Mayor and City Council

From: Shannon W. Creighton

Date: May 12, 2006

Re: Petition for the Creation of the Arnold Triangle Transportation Development District (the "TDD")

The Amended and Restated Redevelopment Agreement and the Amended and Restated District Development Agreement between the City of Arnold and Arnold Triangle Development L.L.C. (the "Developer") contemplate the creation of a transportation development district to pay for a portion of the total project costs associated with the Arnold Triangle Redevelopment Project, including reimbursement to the City for road improvement costs within the area.

In order to create the TDD, a petition must be filed with the Circuit Court of Jefferson County, attached as **Exhibit A** to the Ordinance. Once created, the TDD will impose a sales tax up to 1% and shall be governed by a board of directors that shall consist of 5 members. Prior to the issuance of bonds to refund the initial TDD's Notes, the City will have 2 seats on the board. Following the issuance of bonds, the City will have a majority of the voting members.

At this time, the TDD is being formed on a few vacant parcels owned by the City along Church Road. Later, when the Developer owns the remainder of the property within the Redevelopment Area, the TDD boundaries will be expanded. Formation of the TDD now is important to securing reimbursement of all City costs.

* * *