

# The Economic Impact of a New MLS Soccer Stadium

## Summary of Research

In November 2016 the St. Louis Land Clearance for Redevelopment Authority of the City of St. Louis released details for the construction of a new professional soccer stadium in downtown St. Louis. The construction of the project would start in 2017 and would be largely completed by the end of 2020. The first year of full operations would be 2020. The total project cost, excluding a Major League Soccer (MLS) expansion fee, is estimated at \$205 million and includes a 20,000 seat stadium.

This analysis estimates the general economic impact of the new stadium construction, as well as the expected operational impacts of the franchise through the year 2049, when the original lease of the stadium is expected to end. The state fiscal benefit is calculated to consider the tax credit costs during construction and the expected tax revenues that would be generated to the state from 2017 through 2049. This research summary is based on preliminary data available from the applicant and other figures outlined in the **Assumptions** section. The analysis only includes the state fiscal return and does not include local fiscal benefits or costs.

The construction of a new stadium and continued operations is expected to generate **\$24.5 million in net state general revenue** (see **Table 1**) over 33 years. Net general revenue deducts the \$40 million in tax credits. Just over 355 jobs would be supported annually over the four year construction period to include construction, supplier, and indirect jobs created by the spending as well as MLS activities. The franchise operation is estimated to support an average of 475 jobs annually during the remaining years. The construction and operations would contribute \$1.56 billion to total state personal income and \$1.74 billion to gross domestic product over the 33 years. Tax credits of \$40,000,000 would result in an expected state fiscal benefit ratio of **1.62** (\$64.2 M cumulative state general revenue / \$39.7 M cumulative state cost in present value 2016 dollars resulting in \$24.5 M in net state revenue).

## Economic Impact Estimate

**Table 1. Economic Impact Estimate for the New MLS Soccer Stadium in St. Louis**

*\*All Figures in Millions of 2016 Constant Dollars*

| Phase              | Year | Annual Avg. Emp. | Annual Personal Income | Annual Gross Domestic Product | Net State General Revenue* |                         |                            |
|--------------------|------|------------------|------------------------|-------------------------------|----------------------------|-------------------------|----------------------------|
|                    |      |                  |                        |                               | Annual Net State GR        | Cumulative Net State GR | State Fiscal Benefit Ratio |
| Construction Phase | 2017 | 276              | \$16,686,866           | \$26,475,907                  | (\$19,333,699)             | (\$19,333,699)          | <b>0.03</b>                |
|                    | 2018 | 145              | \$10,355,871           | \$14,029,291                  | (\$19,309,802)             | (\$38,643,502)          | <b>0.03</b>                |
|                    | 2019 | 323              | \$22,404,438           | \$31,811,538                  | \$785,424                  | (\$37,858,077)          | <b>0.05</b>                |
|                    | 2020 | 676              | \$46,602,813           | \$62,444,161                  | \$2,770,202                | (\$35,087,875)          | <b>0.12</b>                |
| Operations Phase   | 2021 | 522              | \$41,430,189           | \$50,037,918                  | \$2,340,744                | (\$32,747,132)          | <b>0.17</b>                |
|                    | 2022 | 524              | \$42,559,791           | \$48,723,681                  | \$2,093,006                | (\$30,654,126)          | <b>0.23</b>                |
|                    | 2023 | 512              | \$43,757,517           | \$48,523,801                  | \$2,010,145                | (\$28,643,980)          | <b>0.28</b>                |
|                    | 2024 | 499              | \$44,699,897           | \$48,375,520                  | \$2,274,369                | (\$26,369,611)          | <b>0.34</b>                |
|                    | 2025 | 489              | \$45,426,475           | \$48,313,776                  | \$1,958,435                | (\$24,411,177)          | <b>0.38</b>                |
|                    | 2026 | 480              | \$46,013,869           | \$48,426,464                  | \$1,938,612                | (\$22,472,564)          | <b>0.43</b>                |
|                    | 2027 | 473              | \$46,528,259           | \$48,691,054                  | \$1,915,442                | (\$20,557,122)          | <b>0.48</b>                |
|                    | 2028 | 467              | \$46,996,921           | \$49,113,438                  | \$1,907,671                | (\$18,649,450)          | <b>0.53</b>                |
|                    | 2029 | 463              | \$47,479,048           | \$49,693,662                  | \$1,898,177                | (\$16,751,273)          | <b>0.58</b>                |
|                    | 2030 | 458              | \$47,891,266           | \$50,263,731                  | \$1,895,317                | (\$14,855,956)          | <b>0.63</b>                |
|                    | 2031 | 457              | \$48,227,681           | \$50,856,709                  | \$1,891,156                | (\$12,964,801)          | <b>0.67</b>                |
|                    | 2032 | 458              | \$48,561,328           | \$51,541,536                  | \$1,900,100                | (\$11,064,700)          | <b>0.72</b>                |
|                    | 2033 | 459              | \$48,972,643           | \$52,327,334                  | \$1,905,240                | (\$9,159,460)           | <b>0.77</b>                |
|                    | 2034 | 460              | \$49,420,731           | \$53,173,460                  | \$1,922,815                | (\$7,236,645)           | <b>0.82</b>                |
|                    | 2035 | 461              | \$49,759,387           | \$53,967,564                  | \$1,928,152                | (\$5,308,494)           | <b>0.87</b>                |
|                    | 2036 | 462              | \$50,112,966           | \$54,782,361                  | \$1,945,463                | (\$3,363,031)           | <b>0.92</b>                |
|                    | 2037 | 463              | \$50,640,955           | \$55,671,726                  | \$1,960,688                | (\$1,402,343)           | <b>0.96</b>                |
|                    | 2038 | 464              | \$51,207,253           | \$56,593,658                  | \$1,987,652                | \$585,309               | <b>1.01</b>                |
|                    | 2039 | 466              | \$51,798,837           | \$57,527,082                  | \$2,006,925                | \$2,592,234             | <b>1.07</b>                |
|                    | 2040 | 471              | \$52,572,162           | \$58,774,906                  | \$2,056,537                | \$4,648,771             | <b>1.12</b>                |
|                    | 2041 | 471              | \$53,233,906           | \$59,715,566                  | \$2,075,502                | \$6,724,272             | <b>1.17</b>                |
|                    | 2042 | 472              | \$60,678,672           | \$60,678,672                  | \$2,105,898                | \$8,830,170             | <b>1.22</b>                |
|                    | 2043 | 472              | \$61,671,947           | \$61,671,947                  | \$2,126,750                | \$10,956,920            | <b>1.28</b>                |
|                    | 2044 | 473              | \$62,691,637           | \$62,691,637                  | \$2,348,058                | \$13,304,978            | <b>1.34</b>                |
|                    | 2045 | 473              | \$63,743,898           | \$63,743,898                  | \$2,180,999                | \$15,485,976            | <b>1.39</b>                |
|                    | 2046 | 473              | \$64,814,516           | \$64,814,516                  | \$2,214,478                | \$17,700,455            | <b>1.45</b>                |
|                    | 2047 | 473              | \$65,909,046           | \$65,909,046                  | \$2,238,793                | \$19,939,248            | <b>1.50</b>                |
|                    | 2048 | 474              | \$67,034,105           | \$67,034,105                  | \$2,274,398                | \$22,213,646            | <b>1.56</b>                |
|                    | 2049 | 474              | \$68,203,872           | \$68,203,872                  | \$2,301,904                | \$24,515,550            | <b>1.62</b>                |

*\*Net GR deducts tax credits of \$40 million spread over 2017 and 2018 from Gross General Revenue.*

## Assumptions

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1. Construction and operation figures derived from the application and further research of seventeen MLS team operations to determine reasonability of assumptions where applicable.
2. The construction phase begins in 2017 and is largely completed by the end of 2020. Total cost of \$205 million is broken out as follows:
  - a. Land cost of \$15 million in 2017, resulting in real estate fees of \$900,000.
  - b. Stadium site work, clearance, and parking of \$30 million in 2017.
  - c. Stadium construction cost of \$150 million spread over years 2018-2021, with 95% of the spending occurring in 2018-2020. Only 50 percent of construction costs are assumed to be paid to Missouri firms.
  - d. Durable equipment purchases of \$10 million spread over years 2020 and 2021.
3. During the construction phase it is assumed that the state sales tax intake on building materials will be minimal if a public entity tax exemption status is in effect.
4. The MLS team full-time operations staff is estimated at 73 for Technical, Front Office and Ticketing Staff based on the average employment found on 17 MLS team websites. Payroll estimate of \$5,975,000 in 2020 (first year of full team operations) was used based on the payroll data provided. Average wage growth of 2.6 percent was used for the Technical, Front Office and Ticketing Staff.
5. Player salaries were estimated at \$8.3 million in 2020 with \$1.2 million for designated players and \$7.1 million for non-designated players. Average wage growth of 2.6 percent was used for all player salaries and an additional 2% entertainer and athletes' income tax was assumed to be placed on their earnings. It is estimated that 90 percent of soccer players (25 of the 28 players on the roster) will live in the St. Louis area and contribute to the Missouri economy year round.
6. The MLS stadium operations would result in an estimated \$14.2 million in receipts for ticket sales based on MLS facility use research. The analysis assumes that 30 percent of event attendees would be net new to the area and 70 percent would be local consumers who would still spend income on other entertainment within Missouri if no MLS team existed.
7. Although the stadium is built at a capacity of 20,000, it is assumed that actual attendance will be less and will decrease after a few years of operation. From 2020 to 2022 attendance

of 18,700 is anticipated with the new stadium per MLS event and 18,000 from year 2023 onward. Although the applicant estimates seating will increase to 26,000 by the year 2031, this analysis does not include that assumption. An average ticket price of \$32.50 at the new stadium starting in 2020 is assumed with an annual growth rate of 2.8 percent.

8. This analysis assumes non-local attendees spend just over \$50 per day on non-ticket related purchases (dining, retail, and transportation) excluding lodging. With 20 MLS home games (including exhibition) and six other anticipated events, this results in nearly \$8.9 million in average spending by non-local attendees. The price per day estimates come from the Missouri Division of Tourism's spending research on out-of-state visitors. This analysis assumes 25 percent of out-of-state visitors pay for lodging in the area, resulting in over \$1.2 million in average spending.
9. The impact analysis was developed using the REMI Policy Insight economic model (REMI) and the above assumptions about future events. Therefore the results of this brief should be considered an estimate that is subject to change, based on variations in the assumptions or economy, over the time period of study. REMI has been used by the Department of Economic Development for over sixteen years to analyze the economic and fiscal impacts to the state of new firms locating to Missouri or the contribution of existing companies in threat of departure. It is a long-term, dynamic model that considers changes in the economy over time, new fiscal costs due to migrating workers, and sales displacement when firms compete for local market share. Over one hundred and fifty organization, universities, and consulting firms use this model for impact analysis, including governmental agencies in thirty three states. The fiscal component of the model is updated annually with Missouri Office of Administration budget figures to produce better state tax estimates.

December 2016





**Francis G. Slay**  
*Mayor*

**Otis Williams**  
*Executive Director*

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Fax (314) 613-7011  
[www.stlouis-mo.gov/sldc](http://www.stlouis-mo.gov/sldc)

December 16, 2016

**Via E-Mail**

Mr. Robert V. Miserez, Executive Director  
Missouri Development Finance Board  
200 Madison Street, Suite 1000  
Jefferson City, Missouri 65101-3254

Re: LCRA of the City of St. Louis Tax Credit for Contribution Application for a Major League Soccer Stadium

Dear Mr. Miserez:

The following is in response to your December 13, 2016 letter requesting additional information for the LCRA Tax Credit Application for a Major League Soccer Stadium.

1. Complete and submit Project User information to the Application. Attach legal organizational documents of the Project Beneficiary/User, or a statement as to the status and timeline. The Project User is the SC STL LLC (the "Owner Group"), and include a list of owners and ownership percentage of the Project with bio for each owner.

See Exhibit A (attached)

2. Provide a copy of any correspondence from Major League Soccer giving the ownership group the exclusive right to negotiate with MLS for a franchise in St. Louis.

See Exhibit B (attached)

3. Estimated timeline and discussion of the approval process for the award of the franchise.

Applications for Major League Soccer expansion teams are due January 31, 2017. MLS plans to select two teams, with the selections announced before April 1, 2017.

4. A description of the source of the City's \$80 million contribution and a detailed timeline for submission of the proposal to a vote.

See Board Bill #226 (attached as Exhibit C), which will be introduced at the City's Board of Aldermen meeting on Friday, December 16.

Board Bill #226 will be introduced at the December 16, 2016 Board of Aldermen meeting. The second reading of Board Bill #226 will occur at the January 6, 2017. The Board Bill will be perfected at the January 13, 2017 Board of Alderman meeting, followed by final passage the following week, on January 20, 2017. As an emergency measure, the Ordinance will be signed by the Mayor and become effective the same day, in advance of the January 24, 2017 deadline for filing ballot propositions for the April 4, 2017 election. The proposal will be submitted to the voters in the City on April 4, 2017.

A Board Bill approving a Financing Agreement between the City, LCRA, and SC STL LLC is anticipated to be introduced at the Board of Aldermen in January of 2017 with final passage thereof anticipated to occur in February of 2017.

5. Development Agreement or Predevelopment Agreement between LCRA and the Project Beneficiary.

See Exhibit D (attached)

6. All resolutions passed by the LCRA and the City Board of Aldermen to facilitate this project.

See Exhibit E (attached) for all such resolutions passed by the LCRA to date. The Board of Aldermen has not yet passed any resolutions to facilitate the project, but will be considering Board Bill #226, as mentioned above.

7. Letters of support from members of the General Assembly in whose district the project is located and members of the St. Louis City Board of Estimate and Apportionment.

See Exhibit F (attached)

8. A written explanation of why the LCRA or City does not consider the alternative proposal from Foundry St. Louis to be viable.

See a recent St. Louis Post-Dispatch article, dated November 30, 2016, entitled "MLS President: SC STL is the 'only contender' for St. Louis team ownership" (attached as Exhibit G). See also Exhibit B.

9. A 15-year proforma for the Project Beneficiary.

See Exhibit H; updated sources and uses for the Project are also included.

10. To the extent available, a listing of franchise fees paid by the current MLS franchise owners and the amounts paid for any sales of franchises.

See Exhibit I (attached)

11. A summary of the proposed terms of the lease of the stadium to the Project Beneficiary (term, maintenance obligations, rent, etc.).

Under the proposed terms of the lease of the stadium to the Project Beneficiary, LCRA will lease the entire Project to the Project Beneficiary for a term of at least 30 years. The Project Beneficiary will operate the Project during the term of the lease and be solely responsible for all operation and maintenance costs. The Project Beneficiary will be subject to a non-relocation provision prohibiting the Project Beneficiary from relocating the MLS franchise from (i) relocating from the City; (ii) applying to the MLS to transfer to another location outside of the City; and/or (iii) entering into or participating in any negotiations or discussions regarding relocation.

12. A description of any taxing districts the city or LCRA expect to form in connection with the project.

Formation of a Transportation Development District (TDD) is anticipated in connection with the Project, with revenue therefrom pledged to bonds issued for the Project.

13. A letter from the Mayor committing that the project will not proceed without a vote of the registered voters of the city of St. Louis and acknowledging that the support of the MDFB is conditioned upon a favorable result of such vote.

See Exhibit J (attached)

Sincerely,



Otis Williams  
Executive Director

## **Exhibit A**

### Project User Beneficiary Information

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

Name: SC STL LLC, a Delaware Limited Liability Company

Address: See attached Certificate of Formation

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Contact: \_\_\_\_\_ Telephone: \_\_\_\_\_ Title: \_\_\_\_\_

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

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

##### **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      | _____       | _____                       |
| Vice President | _____       | _____                       |
| Secretary      | _____       | _____                       |
| Treasurer      | _____       | _____                       |
| Directors      | _____       | _____                       |
|                | _____       | _____                       |
|                | _____       | _____                       |
|                | _____       | _____                       |

3. Principal Stockholders, Members or Partners:

|                |                   |                  |
|----------------|-------------------|------------------|
| Paul Edgerley* | Robert Hermann    | John Sherman     |
| Terry Matlack* | Steve Martiz      | Michael Neidorff |
| Dave Peacock*  | Robert O'Loughlin | David Gross-Loh  |
| Jim Kavanaugh* | James Powers      | Thomas Roberts   |

\*Member of the Executive Committee; the Executive Committee will own 50% of the team

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

|              |   |
|--------------|---|
| Name:        | Husch Blackwell LLP                           |
| Address:     | 190 Carondelet Plaza, Suite 600, St. Louis MO |
| City, State, | ZIP: 63105                                    |
| Telephone:   | 314.480.1718                                  |
| Fax:         | 314.480.1500                                  |
| E-mail:      | David.Richardson@huschblackwell.com           |

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

|              |                                     |
|--------------|-------------------------------------|
| Name:        | Goldman Sachs                       |
| Address:     | 200 West Street, New York, New York |
| City, State, | ZIP: 10282                          |
| Telephone:   | 212.902.1000                        |
| 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. **SC STL LLC is a special purpose entity formed for the sole purpose of the Project.**

7. 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). **SC STL LLC was formed in 2016 and therefore does not yet have any audited financial statements.**

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. **SC STL LLC will lease and operate the Project.**

# Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF  
DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT  
COPY OF THE CERTIFICATE OF FORMATION OF "SC STL LLC", FILED IN  
THIS OFFICE ON THE NINETEENTH DAY OF FEBRUARY, A.D. 2016, AT  
1:30 O`CLOCK P.M.



Jeffrey W. Bullock, Secretary of State

5968374 8100  
SR# 20160957610

Authentication: 201858142  
Date: 02-19-16

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

**STATE of DELAWARE**  
**LIMITED LIABILITY COMPANY**  
**CERTIFICATE of FORMATION**

**First:** The name of the limited liability company is SC Stl LLC

**Second:** The address of its registered office in the State of Delaware is 160

Greentree Drive, Suite 101 in the City of Dover

Zip code 19904. The name of its Registered agent at such address is  
National Registered Agents, Inc.

**Third:** (Use this paragraph only if the company is to have a specific effective date of dissolution: "The latest date on which the limited liability company is to dissolve is \_\_\_\_\_.")

**Fourth:** (Insert any other matters the members determine to include herein.)

**In Witness Whereof,** the undersigned have executed this Certificate of Formation this

19th day of February, 2016.

By: /s/ Dean VandeKamp  
Authorized Person (s)

Name: Dean VandeKamp



**Paul B. Edgerley**  
**Managing Director**  
**VantEdge Partners, LLC**  
200 Clarendon Street  
Boston, MA 02116  
Phone : 617-516-2222  
Email: [pedgerley@baincapital.com](mailto:pedgerley@baincapital.com) or [pedgerley@vantedge.partners](mailto:pedgerley@vantedge.partners)

Paul Edgerley was a Managing Director at Bain Capital from 1990 until his retirement in January 2016. He continues to serve as a senior Advisor to Bain Capital and a number of Bain's portfolio companies. Bain Capital is a private investment firm with over \$75 billion in assets under management.

Paul is presently Managing Director of VantEdge Partners, a private investment company he cofounded with Terry Matlack in order to jointly pursue private company investments. Paul also serves as a director and Chairman of the Board of Sensata Technologies, a New York Stock Exchange (NYSE) listed sensor and controls manufacturer. He also serves on the Board of Directors of the following: MYOB, an Australian Securities Exchange (ASX) listed software company; Hero MotoCorp, a dual Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE) listed motorcycle manufacturer; APEX Tool Group, a hand and power tool supplier; FTE Automotive, an automotive part supplier; and TI Automotive, an automotive parts supplier. Paul also serves on the Board and the Executive Committee of the Boston Celtics and has been an investor in AS Roma, the Italian professional football team.

Paul has also served on the Dean's Advisory Board at Harvard Business School, the Executive Committee of the Trustees of Kansas State University, Children's Hospital Trust Board, the Board of the Boston Celtics Shamrock Foundation, the Board of New Profit, Inc., the US Board of The Right to Play, the Board of YearUp and is Co-Chair of the Harvard University Capital Campaign and Co-Chair of the Harvard Campaign for the Faculty of Arts and Sciences.

Prior to joining Bain Capital, Paul spent five years at Bain & Company where he worked as a Consultant and Manager in the healthcare, information services, retail and automobile industries. Previously, he was a certified public accountant working at Peat Marwick, Mitchell & Company. Paul was awarded an MBA with distinction from Harvard Business School and a Bachelor of Science Degree in Business Administration from Kansas State University. He and his wife, Sandra, reside in Brookline with their four children.

**Terry Matlack**

Co-Founder, Managing Director  
VantEdge Partners, LLC  
Do Founder, Managing Director  
Tortoise Capital Advisors, LLC

9401 Indian Creek Parkway  
Suite 800  
Overland Park, Kansas 66210  
Phone: 913-205-1984 (cell)  
Email: tmatlack@vantedge.partners

Terry Matlack is a founder and Managing Director of VantEdge Partners, a private investment company owned by he and Paul Edgerley of Boston. Terry is also a managing director of Tortoise Capital Advisors, a company he co-founded with partners in 2002. Tortoise Capital manages NYSE-listed closed-end funds, open-end funds, private funds and separate accounts for institutional and individual investors. Mr. Matlack serves on the Board of each of the closed-end funds, and on the Board of Tortoise Capital Advisors.

Prior to joining Tortoise Capital, he was a partner at Kansas City Equity Partners, a private equity firm based in Kansas City where he was involved in the founding of Tortoise. From 1989 until 2001, Mr. Matlack was involved along with various partners in the finance, operation and development of several companies in the telecommunications industry, including cable television, cellular telephone, landline telephone, radio broadcast and telephone systems for correctional facilities.

Terry graduated with a degree in business administration from Kansas State University and has masters in business administration and a juris doctorate from the University of Kansas. He is a member of the American and Kansas Bar Associations, and earned his CFA designation. He serves on the U.S. Bank Kansas City Market Board, the Kansas City Association for Corporate Growth (former President) and the Executive Council of the KSU College of Business. He formerly served on the board of the KSU Alumni Association and on the Board of Trustees of the Kansas Public Employees Retirement System (Chairman, 2014-2015). In 2010, Terry was honored as the Kansas State University CBA Alumni Fellow.

He enjoys watching sports of many types, water and snow skiing, and time with family and friends. He lives with his wife, Cathy in the western metropolitan area of Kansas City (Shawnee, Kansas) and has three grown children and four grandchildren.



## David A. Peacock

Former President, Anheuser-Busch  
Currently Entrepreneur and Civic Advocate

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David A. Peacock was president of Anheuser-Busch, a wholly owned subsidiary of Anheuser-Busch InBev. As head of the company, Peacock was responsible for the commercial success of Anheuser-Busch and managing U.S. operations for the company. A leader who balances the ability to achieve stretch targets with a style that engages employees, peers and external stakeholders – Peacock was uniquely qualified to lead the company through a period of unprecedented change while maintaining key aspects of the company's operations and profile. Peacock led the integration of the company with InBev in the U.S. delivering over \$2 billion in synergies with minimal impact to employee engagement and an improvement in the company's reputation. From 2008 to early 2012, with Peacock as company president, Anheuser-Busch over-delivered financial targets increasing earnings before interest, taxes depreciation and amortization (EBITDA) 80% while expanding EBITDA margin 19 basis points.

In 2008, Peacock led the negotiating team for Anheuser-Busch during the merger with InBev. He successfully balanced shareholder interests, the operations of Anheuser-Busch during the onset of the economic crisis and employee and community concerns to ensure an optimal outcome for the company during the largest all-cash transaction in history.

Peacock joined Anheuser-Busch in 1992 and served many roles in management, financial planning and marketing reporting to the CEO for more than 3 years. At various times in his career, he led the financial planning, mergers and acquisitions, information technology, procurement and wholesaler development organizations as well as several groups within Marketing. In 2007, he was named Vice President of Marketing for Anheuser-Busch revitalizing the company's marketing approach by introducing a new demand-based model and driving a more fact-based advertising creative and innovation process leading to the launch of Bud Light Lime, which led to a reversion in the company's market share trend. Peacock also led the launches of Michelob Ultra, Shocktop and the purchase and expansion of the Goose Island brand during his career at the company.

In 2014, Peacock was appointed by Missouri Governor Jay Nixon to lead the task force to keep NFL football in St. Louis. In this capacity, he assembled a team of industry leaders to develop a plan for a new \$1 billion downtown stadium and redevelopment. This team included HOK, SMG, Barrett Sports Group, Premier Sports and Goldman Sachs.

Peacock also demonstrates his dedication to the community by serving on the board of directors of several charitable and civic organizations. Peacock is chairman of the St. Louis Sports Commission, an organization supporting amateur sports event bids in St. Louis. Peacock is also a member of the Pro Football Hall of Fame National Advisory Board and St. Louis' CityArchRiver 2015 Board where he co-chaired the quiet campaign, which raised \$180 million. He is on the United Way of Greater St. Louis board, a member of the Biblical Business Training board of directors and a member of the Concordance Academy advisory board, an organization focused on reducing recidivism among the U.S. prison population. Peacock formerly served as chairman of the Beer Institute, the U.S. beer industry's policy organization and was also previously chairman of the St. Louis chapter of the American Red Cross.

Peacock is currently a lead investor and chairman for Vitaligent, LLC that owns 77 Jamba Juice stores in Northern California, Missouri and Kansas. Vitaligent has \$58 million in sales and is Jamba Juice's largest franchisee. Peacock is also an investor and board member of Ronnoco Coffee, LLC – a coffee company competing in the Midwest with over \$70 million in sales. He also serves as a director of Schnucks Markets, Inc. Peacock also supports St Louis' growing start-up community as a member of the advisory board for Lewis & Clark Ventures and Lockerdome.

A native of St. Louis, Peacock holds a bachelor's degree in journalism from the University of Kansas. He also holds a master's degree in business administration from Washington University in St. Louis, from which he received the Distinguished Alumni Award in 2009. He lives in St. Louis with his wife and three children.

## Jim P. Kavanaugh



Jim Kavanaugh co-founded WWT with David Steward in 1990 and serves as the company's Chief Executive Officer. Kavanaugh and his proven management team have guided WWT from a small startup technology company to a world-class organization that is recognized as a market-leading technology integrator.

During WWT's early years, Kavanaugh solidified the company's financial position through profitable growth and a \$27.5 million venture capital investment that was repaid in 2005. The company regularly achieves average growth of more than 20 percent per year. Kavanaugh currently focuses his time in the areas of long-term planning, strategic acquisitions, financial performance, employee development, and passionately overseeing WWT's unique corporate culture. Prior to founding WWT, Kavanaugh worked at Future Electronics and played professional soccer. He received his Bachelor of Science in Business Administration from St. Louis University (SLU) in 1986.

Kavanaugh has won numerous business, entrepreneurial and charitable awards throughout the years. He is the President of the Board of the St. Louis Scott Gallagher Soccer Club, and Investor / Owner of the St. Louis Blues. He recently served as a Board Member and President of St. Patrick's Center for the Homeless. Kavanaugh and WWT also support a number of other charities such as the United Way, Ronald McDonald House, Toys for Tots, MS Society, Race for the Cure, American Red Cross, Habitat for Humanity, YMCA and Children's Hospital.

## ROBERT R. HERMANN, JR.

30 Foreway Drive • Saint Louis, Missouri • 63124  
(314)863-9200 • rhermann@hcrmcos.com

**BORN:** October 19, 1952, Saint Louis, Missouri

**EDUCATION:** Saint Louis Country Day '70, Saint Louis, Missouri  
Deerfield Academy '71, Deerfield, Massachusetts  
Princeton University '75, Princeton, New Jersey

**WORK:** Chairman and CEO  
Hermann Companies, Inc, Saint Louis, Missouri.  
Holding company of Anchor Packaging, Inc.

**SERVING ON THE FOLLOWING BOARDS:** Saint Louis Children's Hospital, Saint Louis, Missouri – Former Chairman  
MICDS School, Saint Louis, Missouri  
Missouri Botanical Garden, Saint Louis, Missouri  
Saint Louis Zoo, Saint Louis, Missouri - Former Chairman  
Central Bancompany, Saint Louis, Missouri  
Harbor Point Association, Harbor Springs, Michigan

**CLUBS:** The Everglades Club, Palm Beach, Florida  
Bath and Tennis Club, Palm Beach, Florida  
Saint Louis Country Club, Saint Louis, Missouri  
Log Cabin Club, Saint Louis, Missouri  
Little Harbor Club, Harbor Springs, Michigan  
Racquet Club of Saint Louis, Saint Louis, Missouri

**FAMILY:** Married to Signa Merrill Hermann  
Children: Elizabeth Hermann Peterson (33)  
Merrill Clark Hermann (22)  
Robert Ringen Hermann III (20)  
Grandchildren: James Robert Petersen (3)  
Lilly Catherine Busch Petersen (8 mos)

**PARENTS:** Robert Ringen Hermann  
Lilly Busch Hermann (deceased)

**GRANDPARENTS:** August A. Busch, Jr. (deceased)  
Frederick A. Hermann (deceased)





**W. Stephen Maritz**  
*Chairman of the Board and Chief Executive Officer*  
*Maritz Holdings Inc.*

As chairman of the board and chief executive officer of Maritz Holdings Inc., Steve Maritz represents the fourth generation of his family to lead the company. Maritz began in 1894 as a watch manufacturer and jewelry business. During the Great Depression, the Company transitioned into an incentive company, and has expanded from there into adjacent fields of Meeting, Event and Incentive travel, Channel Development and Market Research. In his role over Maritz Holdings, Steve searches for business opportunities that complement Maritz' core businesses.

Steve is active in the community, serving on the boards of The United Way, The Muny and the Missouri Botanical Garden. He is also President of the Wetland's America Trust Board and a Director of the board of the Ruffed Grouse Society.

Steve holds a bachelor's degree from Princeton University. Married with three boys, Steve and his family live in St. Louis and enjoy pursuing their mutual interests of competitive sports and outdoor activities.

## **Robert O'Loughlin**

Robert O'Loughlin is the Chairman and CEO of Lodging Hospitality Management (**LHM**) which he founded in 1986. In the more than 30 years **LHM** has been in business O'Loughlin has developed several hotels and managed over 50 hotels around the Country. His most recent acquisition is the historic St Louis Union Station and the Doubletree St Louis Union Station Hotel. Also new to the **LHM** family of hotels is the recently opened Boundary Restaurant at the Cheshire, Basso Italian Gastro Pub, Starbucks at the Cheshire, The Back Room, and The Upstairs at the Cheshire.

Some of the **LHM** properties include the Sheratons at West Port, Hilton at the Airport, Marriott at the Airport, Hilton at the Ballpark, 360 Rooftop Bar, The Seven Gables Inn, Doubletree West Port, and the entire West Port Plaza Complex located in St. Louis County.

Bob has been in the hotel business for over 40 years where he began his career with Hilton Hotel Corporation. He managed properties in Hartford, Connecticut; Cincinnati, Ohio; Oakland and San Francisco, California. He moved to St Louis in 1976 where he grew AIRCOA Hospitality from eight hotels to 60 hotels prior to forming **LHM**.

He is a member of several community and business organizations including the Regional Business Council, and sits on the Boards for the Logos School, St Louis University, Washington University Board of Directors, St Louis Zoo, St Louis Sports Commission, St Louis Police Foundation, Enterprise Bank and Trust, the Jefferson National Park Association, St Louis Regional Chamber, Variety the Children's Charity of St Louis, and past Governor of the Missouri Athletic Club.



**JAMES G. POWERS**  
**President, UniGroup**

James (Jim) Powers is president of UniGroup and CEO of its operating subsidiaries, which include United Van Lines, Mayflower Transit, UniGroup Logistics, UniGroup Relocation, Sterling Relocation and other transportation-related companies.

Powers joined UniGroup in 2001 as the company's chief financial officer and assumed the additional responsibility of senior vice president in 2006. In that role, Powers had operating responsibility for Vanliner Insurance Company and Total Transportation Services, UniGroup's leasing company, and lead UniGroup's efforts to identify, evaluate and develop new corporate-level business opportunities for the UniGroup subsidiaries while implementing UniGroup's strategic move into adjacent markets.

During 2010 and 2011, Powers briefly left UniGroup to serve as the chief financial officer of Major Brands Holdings, Missouri's largest distributor of wines and spirits. He returned to UniGroup in 2011 to serve as the president of UniGroup Logistics, a position he held until being appointed to his current role.

Prior to UniGroup, Powers served in progressively responsible positions for more than 20 years at large multi-national corporate organizations, including Viasystems Group, Crain Industries, Berg Electronics, Moog Automotive and Arthur Andersen.

A native of St. Louis, Missouri, Powers earned his bachelor's degree in accounting from Rockhurst College, Kansas City, Missouri. He is a current member of Civic Progress, the United Way of Greater St. Louis Board of Directors, and the St. Louis Regional Chamber Board of Directors. Additionally, Powers is the Chair of the finance & Audit Committee at St. Anthony's Medical Center, as well as, an active Board member for the hospital.

## **John Sherman**

**CEO, MLP Holdings, LLC**



John Sherman is an entrepreneur who has started and developed two successful businesses based in Kansas City, Missouri. His first startup, LPG Services, grew rapidly and merged with Dynegy (NYSE:DYN) in 1996.

Mr. Sherman is the founder and past Chairman and CEO of Inergy, L.P. and Inergy Midstream, L.P. Inergy was founded by Mr. Sherman in 1996 and became a public company in 2001. Mr. Sherman led the company through a period of tremendous growth, creating total enterprise value of nearly \$5 billion prior to merging with Crestwood Holdings. The merger with Crestwood created a diverse North American energy infrastructure company with a \$9 billion enterprise value. Mr. Sherman currently serves on the boards of the combined companies – Crestwood Equity Partners LP (NYSE:CEQP) and Crestwood Midstream Partners LP (NYSE:CMLP).

Mr. Sherman also serves on the board of Great Plains Energy (NYSE:GXP) where he chairs the Compensation Committee and is a member of the Audit Committee.

Mr. Sherman has served and supported the Kansas City community extensively. His philanthropic work has primarily been in education, focused on narrowing the educational opportunity gap for the underserved. He serves as Chair of the Board of Directors for both the Civic Council of Greater Kansas City and The Truman Presidential Library Institute. He is also on the Board of Directors of the University of Missouri – Kansas City (UMKC) Foundation and Teach for America Kansas City. He is a trustee of the Kauffman Foundation, UMKC, and MRIGlobal.

Mr. Sherman has been recognized with numerous honors, including as an Ernst & Young Entrepreneur of the Year, among others. In 2009, he was named Entrepreneur of the Year by UMKC's Bloch School of Business and the Council for Entrepreneurship and Innovation. In 2012, he received the Hope Award from the National MS Society for his philanthropic work in the Kansas City community.



**MICHAEL F. NEIDORFF**  
**Chairman, President and Chief Executive Officer**

Michael F. Neidorff is a widely recognized executive with a long record of accomplishments in starting and managing healthcare enterprises. He has successfully led the development and implementation of programs and services under Medicaid, Medicare and commercial managed care.

Mr. Neidorff became president and chief executive officer of Centene Corporation in 1996. He was named the chairman and chief executive officer in May 2004. From the time Mr. Neidorff joined Centene, he has led its transformation from a closely held, \$40 million corporation to a publicly traded (NYSE: CNC), Fortune 500, diversified, multi-national healthcare enterprise with annual revenues of approximately \$40 billion.

Under Mr. Neidorff's direction, Centene has expanded from operating Medicaid health plans solely in Wisconsin and Indiana, to operations and implementations in 28 states, serving over 11 million managed care and TRICARE members. The company provides cost-effective coverage solutions to the rising number of underinsured and uninsured people. It also contracts with other healthcare and commercial organizations to provide specialty services including behavioral health management, care management software, correctional healthcare services, dental benefits management, in-home health services, life and health management, managed vision, pharmacy benefits management, specialty pharmacy and telehealth services.

Mr. Neidorff currently serves as chairman of the board for the National Urban League and Trinity University. He is also on the board of directors of the John F. Kennedy Center for the Performing Arts. Please visit [www.centene.com](http://www.centene.com) for additional information.

# # #

October 2016

Centene Corporation, a Fortune 500 company, is a diversified, multi-national healthcare enterprise that provides a portfolio of services to government sponsored healthcare programs, focusing on under-insured and uninsured individuals. Many receive benefits provided under Medicaid, including the State Children's Health Insurance Program (CHIP), as well as Aged, Blind or Disabled (ABD), Foster Care and Long Term Care (LTC), in addition to other state-sponsored programs, Medicare (including the Medicare prescription drug benefit commonly known as "Part D"), dual eligible programs and programs with the U.S. Department of Defense and U.S. Department of Veterans Affairs. Centene also provides healthcare services to groups and individuals delivered through commercial health plans. Centene operates local health plans and offers a range of health insurance solutions. It also contracts with other healthcare and commercial organizations to provide specialty services including behavioral health management, care management software, correctional healthcare services, dental benefits management, in-home health services, life and health management, managed vision, pharmacy benefits management, specialty pharmacy and telehealth services.

# David Gross-Loh



## MANAGING DIRECTOR

Focus: Japan

Boston

David Gross-Loh is a managing director with Bain Capital, where he has been since 2000 in the Boston, New York, and Tokyo offices. Gross-Loh is a founding member of Bain Capital's Asia business, which he now co-heads, having started and managed the Tokyo office in 2006. Bain Capital Asia makes investments across the Asia-Pacific region with offices in Hong Kong, Shanghai, Tokyo, Mumbai, and Melbourne.

Prior to his work at Bain Capital, Gross-Loh was a consultant with Bain & Company from 1998 to 2000 and he worked with NEC Corporation in Tokyo from 1992 to 1996. Gross-Loh currently serves on the boards of several companies in Japan, China, and Australia, including Jupiter Shop Channel, Skylark, Domino's Pizza Japan, Macromill, Uniview Technologies, and Retail Zoo.

He holds an MBA from Harvard Business School and a B.S. in economics from the Wharton School of the University of Pennsylvania.

## Thomas S. Roberts



Managing Director

Boston

Phone: +1 617.824.1050

Email: Thomas S. Roberts

Tom joined Summit Partners in 1989 and today manages Summit Partners Credit Advisors, which he cofounded.

Tom has served as a board director of more than 30 companies, including seven public companies. He is currently a director of Aurora Diagnostics, Infor Global Solutions and [vente-privee.com](http://vente-privee.com). His prior directorships include AmeriPath (NASDAQ: PATH, later acquired by Quest Diagnostics), Fiber Options (acquired by Sentrol Life Safety Systems), Pacer Electronics (acquired by Anixter International), Rehab Management Services (acquired by Integrated Health Services), Saber Software (NASDAQ: SABR, later acquired by McAfee) and Sybari Software (acquired by Microsoft).

Prior to Summit, Tom was an analyst at Booz Allen Hamilton. He received an AB in economics, magna cum laude, from Princeton University and an MBA from Harvard Business School, where he was a Baker Scholar.

Tom currently serves as a trustee of Princeton University and is a member of Harvard University's Committee on University Resources. Previously, Tom served for nine years as a trustee at the Fessenden School in West Newton, Massachusetts, including two terms as board chair, and as President of the New England Venture Capital Association. Additionally, Tom is a long-time youth soccer coach.

## Exhibit B



Mark Abbott  
President and Deputy Commissioner

Major League Soccer  
420 5th Avenue, 7th Fl.  
New York, NY 10018

mlssoccer.com  
212.450.1200

December 16, 2016

Robert V. Miserez  
Executive Director  
Missouri Development Finance Board  
200 Madison Street, Suite 1000  
P.O. Box 567  
Jefferson City, MO 65102

Dear Mr. Miserez,

I am writing in regard to your letter to Mr. Otis Williams dated December 13, 2016, and as a supplement to the LCRA of the City of St. Louis Tax Credit for Contribution Application for a Major League Soccer Stadium.

Yesterday, Major League Soccer announced the League will add four new Clubs, the first two of which will begin play in 2020. We also announced the formal process for the selection of these Clubs, which require interested ownership groups and markets to submit an application by January 31, 2017.

Major League Soccer has been working closely with SC STL for over a year, and we firmly believe that the SC STL ownership group provides St. Louis the best opportunity to be successful. In addition to the strength of the ownership group, SC STL's downtown stadium site is the ideal location for a new stadium. As such, as we publicly stated in November, Major League Soccer is working exclusively with SC STL.

Please do not hesitate to reach out to me with any questions.

Sincerely,



Mark Abbott  
President and Deputy Commissioner



## Exhibit C

1    **BOARD BILL NO. \_\_\_\_\_ INTRODUCED BY ALDERMAN \_\_\_\_\_**

2    An Ordinance relating to the proceeds from an increase of one half of one percent in the rate of  
3    the local use tax levied by the City of St. Louis pursuant to Ordinance No. 65609, which increase  
4    corresponds to a proposed one half of one percent local sales tax for economic development  
5    purposes; calling and providing for the holding of an election in the City of St. Louis on April 4,  
6    2017, for the purpose of submitting to the qualified voters of the City of St. Louis a proposal to  
7    use the proceeds of such one half of one percent increase in the local use tax levied by the City of  
8    St. Louis for the purpose of providing funding for minority job training and business  
9    development programs and a multipurpose stadium for soccer, local amateur sports, concerts,  
10   and community events; directing the Comptroller to collect the proceeds of such one half of one  
11   percent increase in the local use tax levied by the City of St. Louis from the State of Missouri to  
12   be held separate and apart from all other proceeds of the local use tax levied by the City of St.  
13   Louis; authorizing and directing that the proceeds of such one half of one percent increase in the  
14   local use tax levied by the City of St. Louis be used for the purpose of providing funding for  
15   minority job training and business development programs and a multipurpose stadium for soccer,  
16   local amateur sports, concerts, and community events subject to voter approval of such purposes;  
17   containing a severability clause; and containing an emergency clause.

18        WHEREAS, the City of St. Louis (the "City") is a body corporate and a political  
19   subdivision of the State of Missouri, duly created, organized and existing under and by virtue of  
20   its charter, the Constitution and laws of the State of Missouri; and

21        WHEREAS, pursuant to Section 144.757 RSMo. and City Ordinance No. 65609, the City  
22   levies a local use tax at a rate equal to the current rate of the local sales tax levied by the City,  
23   which use tax is the equivalent of a sales tax on purchases from out-of-state sellers by in-state

December \_\_\_, 2016

Page 1 of 8

BB # \_\_\_\_\_ Sponsor: \_\_\_\_\_

1 buyers and on certain taxable business transactions for which a sales tax is not levied so that no  
2 taxpayer is subject to a sales tax and a use tax on the same transaction; and

3 WHEREAS, on \_\_\_\_\_, 2016, pursuant to Section 67.1305 of the laws of the State of  
4 Missouri, the Board of Aldermen of the City passed Ordinance No. \_\_\_\_\_, [Board Bill No. \_\_\_\_]  
5 providing for the submission to the qualified voters of the City of a proposition to impose a new  
6 one half of one percent sales tax on all retail sales made in the City which are subject to taxation  
7 under Chapter 144 RSMo. for economic development purposes (the “Economic Development  
8 Sales Tax”); and

9 WHEREAS, upon approval of the Economic Development Sales Tax proposition by the  
10 qualified voters of the City and the City’s levy of the Economic Development Sales Tax, the rate  
11 of the local use tax levied by the City under Ordinance No. 65609 will increase by a  
12 corresponding one half of one percent without the need for any further action or voter approval;  
13 and

14 WHEREAS, the City of St. Louis is committed to working in partnership with labor,  
15 businesses, and the community to create a skilled workforce that reflects the diversity of the  
16 population of City; and a well-trained, diverse workforce is critical to the economic and social  
17 vitality of the City and the region; and statistical data and other evidence shows that minorities  
18 and women are under-represented in the skilled workforce of the construction industry, including  
19 the “City of St. Louis Disparity Study” and the “City of St. Louis Workforce Study” completed  
20 in 2015 by Mason Tillman Associates, Ltd., for the City of St. Louis and the St. Louis  
21 Development Corp., which identified numerous and specific deficiencies and disparities; and

22 WHEREAS, such under-representation is due to past discriminatory barriers and that  
23 minority job training and business development programs are needed to rectify such under-

December \_\_\_, 2016

Page 2 of 8

BB # \_\_\_\_\_ Sponsor: \_\_\_\_\_



1 representation; and funding from any increased proceeds from the City's use tax can provide  
2 training and job opportunities as a means to increase the skills and diversity of the City  
3 workforce; and

4 WHEREAS, construction of a multipurpose stadium for soccer, local amateur sports,  
5 concerts, and community events is contingent on an MLS commitment to bring a professional  
6 soccer team to the City, attracting visitors from throughout the region to the City, and  
7 significantly benefitting the City by: (a) increasing state and local tax revenues through the  
8 creation of new jobs; (b) increasing state and local tax revenues through increased sales; (c)  
9 increasing state and local taxes through increased taxes withheld or paid by employers; (d)  
10 increasing sports activity, recreational entertainment, convention and tourism activities within  
11 the City; and (e) causing redevelopment of an areas within the City in need of redevelopment and  
12 creating an environment to stimulate additional private investment in and near the areas in which  
13 the stadium will be located; and

14 WHEREAS construction of such a multipurpose stadium will, in addition to other major  
15 projects such as the new National Geospatial-Intelligence Agency headquarters, MetroLink  
16 expansion, Choice Neighborhood development, Ballpark Village expansion, Union Station  
17 renovation and other projects, create several hundred jobs and provide opportunities for City  
18 residents to build a career in the construction trades and for the City to put into action minority  
19 job training and business development programs also funded by the proceeds of an increased use  
20 tax; and

21 WHEREAS, the site of the proposed multipurpose stadium is within one and a half miles  
22 of other civic amenities such as Union Station, Ballpark Village, Scottrade Center, Busch  
23 Stadium and the Arch Grounds, providing the City an unprecedented opportunity to form a

December \_\_, 2016

Page 3 of 8

BB # \_\_\_\_\_ Sponsor: \_\_\_\_\_

1 "corridor" of attractions with the potential of driving significant economic activity for the City;  
2 and

3 WHEREAS, pursuant to the foregoing, it is desirable and in the public interest that the  
4 proposition of whether the proceeds of such one half of one percent increase in the local use tax  
5 levied by the City should be used for the purpose of providing funding for minority job training  
6 and business development programs and a multipurpose stadium for soccer, local amateur sports,  
7 concerts, and community events be submitted to the qualified voters of the City at an election;  
8 and

9 WHEREAS, it is desirable and in the public interest to authorize and direct that, upon the  
10 passage of the Economic Development Sales Tax proposition by the qualified voters of the City  
11 and levy of the Economic Development Sales Tax by the City, the proceeds from the  
12 corresponding one half of one percent increase in the rate of the local use tax levied by the City  
13 be used for the purpose of providing funding for minority job training and business development  
14 programs and a multipurpose stadium for soccer, local amateur sports, concerts, and community  
15 events, subject to approval of such funding by the qualified voters of the City as provided herein.

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

17 **SECTION ONE.** The Board of Aldermen hereby adopts the foregoing recitals as  
18 findings.

19 **SECTION TWO.** In accordance with Section 144.757 RSMo. and Ordinance No.  
20 65609, upon the passage of the Economic Development Sales Tax proposition by the qualified  
21 voters of the City and levy of the Economic Development Sales Tax by the City, the rate of the  
22 local use tax levied by the City shall increase by one half of one percent.

December \_\_, 2016

Page 4 of 8

BB # \_\_\_\_\_ Sponsor: \_\_\_\_\_



1 To vote in favor of the proposition submitted upon this ballot, place a cross (X) mark in  
2 the square opposite the word "YES"; and, to vote against the said proposition, place a cross (X)  
3 mark in the square opposite the word "NO".

4 **PROPOSITION \_\_\_\_**

5 Shall the use tax paid by businesses on out-of-state purchases and derived from  
6 the one half of one percent increased use tax, which corresponds to approval and levy of an  
7 Economic Development Sales Tax in the City of St. Louis, be used for the purposes of minority  
8 job training and business development programs, and a portion of construction costs, but not  
9 construction cost overruns, of a multipurpose stadium for soccer, local amateur sports, concerts  
10 and community events? A use tax is the equivalent of a sales tax on purchases from out-of-state  
11 sellers by in-state buyers and on certain taxable business transactions for which a sales tax is not  
12 levied. No taxpayer is subject to a sales tax and a use tax on the same transaction. The City shall  
13 be required to make available to the public an audited comprehensive financial report detailing  
14 the management and use of the portion of the funds each year.

15 YES ☐

16 NO ☐

17 **SECTION FIVE.** Notice of the election on such proposition shall be published and  
18 said election shall be conducted in the manner provided by law.

19 **SECTION SIX.** The Board of Election Commissioners for the City of St. Louis,  
20 Missouri shall provide notice of such election, shall provide the ballots or voting machines, or  
21 both, shall conduct the election, and shall certify the results of said election, according to the  
22 laws regulating such elections.

December \_\_, 2016

Page 6 of 8

BB # \_\_\_\_\_ Sponsor: \_\_\_\_\_

1           **SECTION SEVEN.** Immediately upon the passage and approval of this ordinance, the  
2 Clerk of the Board of Aldermen shall certify a copy thereof to the Board of Election  
3 Commissioners for the City of St. Louis, Missouri for action and proceedings by said Board in  
4 accordance herewith and as required by law.

5           **SECTION EIGHT.** Subject to approval by the qualified voters of the City of the  
6 proposition set forth herein, the Comptroller shall receive and collect all City use taxes  
7 distributed by the Missouri Collector of Revenue under Section 144.759 RSMo. and shall deposit  
8 and maintain the amount of such taxes derived from the one half of one percent increased use tax  
9 described by this Ordinance and corresponding to approval and levy of the Economic  
10 Development Sales Tax separate and apart from all other City use taxes received by the  
11 Comptroller, and, subject to voter approval as provided herein, the Board of Aldermen hereby  
12 authorize and direct that such use taxes so received by the Comptroller shall be used for the  
13 purpose of providing funding for minority job training and business development programs and a  
14 multipurpose stadium for soccer, local amateur sports, concerts, and community events.

15           **SECTION NINE.** It is hereby declared to be the intention of the Board of Aldermen  
16 that each and every part, section and subsection of this Ordinance shall be separate and severable  
17 from each and every other part, section and subsection hereof and that the Board of Aldermen  
18 intends to adopt each said part, section and subsection separately and independently of any other  
19 part, section and subsection. In the event that any part, section or subsection of this Ordinance  
20 shall be determined to be or to have been unlawful or unconstitutional, the remaining parts,  
21 sections and subsections shall be and remain in full force and effect, unless the court making  
22 such finding shall determine that the valid portions standing alone are incomplete and are  
23 incapable of being executed in accord with the legislative intent.

December \_\_, 2016

Page 7 of 8

BB # \_\_\_\_\_ Sponsor: \_\_\_\_\_

1           **SECTION TEN.**     The Board of Aldermen hereby finds and determines that this  
2 Ordinance constitutes an “emergency measure” pursuant to Article IV, Section 20 of the City  
3 Charter, because this Ordinance calls and provides for an election and vote by the people, and as  
4 such, this Ordinance shall take effect immediately upon its approval by the Mayor as provided in  
5 Article IV, Section 20 of the City Charter.

December \_\_, 2016

Page 8 of 8

BB #\_\_ Sponsor: \_\_\_\_\_



**Exhibit D**

**LCRA HOLDINGS CORPORATION  
OPTION AGREEMENT**

THIS AGREEMENT ("Agreement") is entered into by the LCRA Holdings Corporation (hereinafter, "LCRAHC") and SC STL LLC (hereinafter, "SC St. Louis").

WITNESSETH:

WHEREAS, the LCRAHC and the Missouri Highways and Transportation Commission ("the Commission") have executed that certain Option Agreement dated as of September 1, 2016 ("the Commission Option Agreement") for the Commission to sell and the LCRAHC to purchase property interests owned by the Commission located in the City of St. Louis, Missouri (hereinafter, "City") as part of the I-64 at 22<sup>nd</sup> Street Interchange, as more particularly described in Exhibit A, which is attached hereto and incorporated herein by reference (the "Property");

WHEREAS, the LCRAHC desires to grant to SC St. Louis an option to purchase any and all of the LCRAHC's interests in the Property acquired by the LCRAHC pursuant to the terms of the Commission Option Agreement, less only (i) that portion of the Property reasonably necessary for public right of way for reconfiguration of roadways and other public infrastructure improvements and (ii) that portion of the Property identified on the attached Exhibit B to be retained by the LCRAHC (the "Parking Lot Property");

WHEREAS, the LCRAHC, in consideration of the terms, conditions and promises hereinafter contained, agrees to grant such option to SC St. Louis.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and representations in this Agreement, the parties agree as follows;

(1) **SC ST. LOUIS PURCHASE OPTION:**

(A) **LCRAHC's Interest in the Property:** SC St. Louis shall have the right to purchase the LCRAHC's interest in the Property and the LCRAHC hereby grants to SC St. Louis the option to purchase the LCRAHC's interest in the Property for the purpose of constructing a new professional sports facility designed to host professional soccer and other sporting, recreational, and entertainment events (the "Stadium") as further provided herein. The LCRAHC's interest in the Property is any and all interest in the Property acquired by the LCRAHC pursuant to the terms of the Commission Option Agreement. The description of the Property in Exhibit A is for general reference only. As set forth in the Commission Option Agreement, the precise size and property description of the Property will be determined at a later date once the Commission's contingencies are met and requirements of the Jefferson Ramp Project are fully known. The LCRAHC hereby agrees that the Property to be conveyed to SC St. Louis shall be all of the LCRAHC's property interests in the Property pursuant to the Commission Option Agreement, less only (i) that portion of the Property reasonably necessary for public right of way for reconfiguration of roadways and other public infrastructure improvements and (ii) the Parking Lot Property, which is to be retained by the LCRAHC. The LCRAHC makes absolutely no representation or warranty as to the state of the title to the Property or the nature of the LCRAHC's interest. SC St. Louis acknowledges that the LCRAHC makes absolutely no representation or warranty as to the title of the Property or the

nature of the LCRAHC's interest. SC St. Louis shall have the right to purchase the LCRAHC's interest in the Property (less that portion of the Property to be retained by the LCRAHC in accordance with this Agreement) at any time within twelve (12) months after the Effective Date (hereinafter defined) (the "Option Period"). SC St. Louis shall exercise such purchase rights by giving the LCRAHC written notice (the "Closing Notice") thereof within the applicable time periods specified in the immediately preceding sentence. The Closing Notice shall specify a closing date ("Closing Date"), which date shall be simultaneous with the closing date of the closing contemplated in the Commission Option Agreement between the Commission and the LCRAHC. The Closing Date shall be no earlier than forty-five (45) days after the date of the Closing Notice; provided however, that the LCRAHC shall have no obligation to sell the Property until each and every contingency set forth in Section 6 has been satisfied. Notwithstanding any of the foregoing, it is the intent of the parties for any closing pursuant to this Agreement to occur on the same date as any closing pursuant to the Commission Option Agreement.

(B) Intergovernmental Cooperation Agreement: The parties to this Agreement agree to execute, prior to or simultaneous with the Closing Date, an intergovernmental cooperation agreement between the LCRAHC, SC St. Louis, the City, and the Land Clearance for Redevelopment Authority of the City of St. Louis ("LCRA") with such terms as reasonably agreed upon by all of the parties thereto regarding the ongoing operation, maintenance, and financing of the Property (the "Intergovernmental Cooperation Agreement").

(C) Purchase Price: The purchase price shall be the same as the purchase price defined in the Commission Option Agreement, provided, however, the purchase price for the Property shall be reduced on a per square foot basis to reflect the LCRAHC retaining ownership of the Parking Lot Property pursuant to Section 1(A) of this Agreement (hereinafter, "Purchase Price").

(D) Balance of Payment: SC St. Louis agrees to deliver the Purchase Price by wire, cashier's check or money order to the Escrow Agent on the Closing Date. The parties agree to have U.S. Title Guaranty Company, Inc., 7930 Clayton Road, Suite 200, St. Louis, Missouri 63117, act as Escrow Agent to administer the transactions contemplated by this Agreement. The Escrow Agent shall distribute the balance of the Purchase Price pursuant to the terms of this Agreement.

(E) Closing Costs. SC St. Louis agrees to pay the LCRAHC's reasonable costs associated with the Commission Option Agreement and the closing of the Property, including the cost of recording fees and the cost of any subdivision plat to be recorded at the time of Closing related to the Property.

## (2) PARKING LOT PROPERTY OPTION.

(A) In the event the Parking Lot Property is acquired by the LCRAHC pursuant to the Commission Option Agreement, for a period of six (6) years, commencing on the date the LCRAHC acquired the Parking Lot Property (the "Parking Lot Option Period"), the LCRAHC hereby grants to SC St. Louis the sole and exclusive right and irrevocable option to purchase the Parking Lot Property from the LCRAHC, subject to the following conditions: (i) In the event SC St. Louis exercises its option to purchase the Parking Lot Property, and at such time SC St. Louis exercises its option, the Parking Lot Property is being used by the St. Louis Metropolitan Police Department as a surface parking lot,



SC St. Louis shall provide the St. Louis Metropolitan Police Department with replacement parking that is reasonably satisfactory to the LCRAHC; and (ii) SC St. Louis shall purchase the Parking Lot Property for the same price (as determined on a square foot basis) the LCRAHC acquired the Parking Lot Property from the Commission (the "Parking Lot Option").

(B) So long as the Parking Lot Option remains in effect, without the prior written consent of SC St. Louis, the LCRAHC shall not (i) convey title to the Parking Lot Property or any portion thereof; (ii) enter into any agreements with respect to or affecting the Parking Lot Property other than those for ordinary operation and maintenance of the Parking Lot Property; (iii) further encumber the Parking Lot Property in any form or manner whatsoever; (iv) create or allow to be created any exceptions to title to the Parking Lot Property, or amend, modify, or terminate any such exceptions; or (v) solicit offers for or market the LCRAHC's interest in the Parking Lot Property. Notwithstanding anything to the contrary in this paragraph, the LCRAHC shall have the right to transfer title to the Parking Lot Property to the City of St. Louis or one of its affiliated governmental or quasi-governmental entities, provided, however, that all restrictions set forth in this Section 2 shall remain in full force and effect upon the transfer of title.

(C) In the event SC St. Louis exercises the Parking Lot Option, SC St. Louis shall purchase from the LCRAHC and the LCRAHC shall convey to SC St. Louis the Parking Lot Property in accordance with the terms of a purchase and sale agreement to be mutually agreed upon in good faith by the parties hereto, provided, however, that the purchase price shall be determined in accordance with Section 2(A) of this Agreement.

(D) In the event SC St. Louis exercises its option to purchase the Property in accordance with this Agreement, the Parking Lot Option shall survive the transfer of the Property and shall remain in full force and effect throughout the Parking Lot Option Period, and each party hereto agrees to execute, at the request of the other, a memorandum of this Agreement to be recorded against the Parking Lot Property at the expense of the party requesting it.

(E) Notwithstanding anything to the contrary contained herein, in the event the LCRAHC exercises its Re-Entry Option in accordance with provisions of Section 3 below, this Parking Lot Option shall automatically terminate and be of no further force and effect.

### (3) LCRAHC RIGHT OF RE-ENTRY.

(A) In the event SC St. Louis fails to close on the construction financing of the Stadium within two (2) years after SC St. Louis acquires title to the Property, the LCRAHC shall have the option to reacquire the Property from SC St. Louis in accordance with the following conditions (the "Re-Entry Option"). The Re-Entry Option shall only be effective: (i) upon the expiration of the second full year after SC St. Louis has acquired the Property, and (ii) if, and only if, SC St. Louis has not closed on the construction financing for the Stadium. The Re-Entry Option shall expire at midnight on the date exactly one (1) year after the expiration of the second full year after SC St. Louis has acquired the Property (the "Re-Entry Option Period"). The LCRAHC may exercise its Re-Entry Option at any time during the Re-Entry Option Period, subject to the terms and conditions contained in this paragraph. The

LCRAHC may exercise its Re-Entry Option by giving SC St. Louis at least thirty (30) days advance written notice during the Re-Entry Option Period. The written notice shall provide a time, date, and place for SC St. Louis to transfer the Property to the LCRAHC, which shall be no earlier than sixty (days) following delivery of the notice.

(B) In the event the LCRAHC exercises its Re-Entry Option in accordance with the provisions set forth in the above paragraph, SC St. Louis shall convey the Property to the LCRAHC on the date set forth in the aforementioned notice, and in consideration for conveyance of the Property by SC St. Louis, the LCRAHC shall reimburse SC St. Louis for all of its Verified Property Costs. Payment of the Verified Property Costs shall be due by the LCRAHC to SC St. Louis on the day of conveyance of the Property. "Verified Property Costs" shall mean all costs actually incurred by SC St. Louis related to the acquisition and development of the Property, including the Purchase Price (as defined in this Agreement), site preparation and environmental remediation, and demolition of existing improvements, which work shall have been coordinated with the LCRAHC.

(C) In the event SC St. Louis exercises its option to purchase the Property in accordance with this Agreement, the Re-Entry Option shall survive the transfer of the Property and shall remain in full force and effect through the Re-Entry Option Period.

FULL DISCLOSURE: Due to the fact that the LCRAHC makes no claims to the resulting title of the land being conveyed, the following disclosure will be included in the deed of conveyance:

By conveyance through this quitclaim deed, the LCRA Holdings Corporation makes no claim to the resulting title of the above-described property and is merely releasing whatever interest it has to the Grantee. It is incumbent upon Grantee to seek its own professional opinion as to the resulting state of title.

(4) DISBURSEMENT OF FUNDS: The Escrow Agent will disburse funds pursuant to the terms of this Agreement.

(5) UTILITIES RESERVATIONS: The following general utility clause will be included in the deed of conveyance.

GRANTEE, by acceptance of this conveyance, covenants and agrees for itself, its successors and assigns, to allow known or unknown utility facilities currently located on the property, whether of record or not, to remain on the property, and to grant the current and subsequent owners of those facilities the right to maintain, construct and reconstruct the facilities and their appurtenances over, under, and across the land herein conveyed, along with the right of ingress and egress across the land herein conveyed to and from those utilities.

In addition to the general utility clause, SC St. Louis shall be required to grant easements, by separate document, to utility companies.

(6) CONTINGENCIES: Notwithstanding anything to the contrary contained herein, SC St. Louis's option to purchase the Property from the LCRAHC is contingent

upon the complete satisfaction of each of the following contingencies (collectively, the "Contingencies"):

(A) The complete satisfaction of all required contingencies to the LCRAHC's option to purchase the Property under the terms of the Commission Option Agreement;

(B) Written notice from SC St. Louis to the LCRAHC directing the LCRAHC to exercise its option to purchase the Property under the terms of the Commission Option Agreement;

(C) The LCRAHC's exercise of its option to purchase the Property under the terms of the Commission Option Agreement; and

(D) The Intergovernmental Cooperation Agreement has been fully executed by the parties thereto.

(7) INDEMNIFICATION: In the event the above contingencies are satisfied and SC St. Louis declines to exercise its option to purchase the Property under the terms of this Agreement, SC St. Louis shall indemnify and hold the LCRAHC harmless from and against any and all claims, suits, damages, liabilities, or expenses, including the Purchase Price of the Property, court costs, and reasonable attorneys' fees, arising out of negotiations, inspections, acquisitions, preparations, construction, operation, and other activities of the LCRAHC or its agents in connection with or relating to the Property.

(8) SURVEY: The LCRAHC shall obtain a boundary survey of the Property prepared by a surveyor or engineer licensed in the State of Missouri, certified to be in accordance with the most recent Missouri Land Survey Standards (the "Survey"), with such cost to be reimbursed by SC St. Louis at closing.

(9) ACCESS: Contingent upon separate written approval from the current owner of the Property, SC St. Louis shall have the right to access the Property during the Option Period for the purposes of conducting the inspections, tests and studies set forth in this paragraph. Access shall be limited to reasonable times and shall require prior notice, and SC St. Louis shall take all the necessary EPA mandated precautions while conducting the tests and inspections, and ensure it does not materially interfere with the Commission's business. The LCRAHC shall not impede the investigation unreasonably. SC St. Louis shall indemnify and hold the LCRAHC harmless (which indemnity shall survive the Closing) from any loss, claim, liability or cost, including without limitation, damage to the Property, injury to persons, and claims of mechanic's or materialmen's liens, caused by SC St. Louis's entry and conduct of tests at the Property. Further, SC St. Louis shall be obligated to repair within the reasonable time specified in writing by the owner of the Property any damage caused to the Property during said investigation, unless the owner of the Property excuses the same in writing. SC St. Louis shall coordinate its inspections, tests, and studies with any tenant located on the Property.

(10) PROPERTY INFORMATION: Within ninety (90) days after the Effective Date of this Agreement, the LCRAHC shall provide to SC St. Louis any reports, studies, surveys, title and encumbrance information, geotechnical reports, and any and all other documents or reports related to the Property, if any, in the LCRAHC's possession. Thereafter, SC St. Louis shall have the further right to receive and utilize at no cost to SC St. Louis any additional reports, studies, surveys, title and encumbrance information, geotechnical reports, and all other

documents or reports related to the Property obtained by the LCRAHC at any time during the Option Period.

(11) LCRAHC CONVEYANCE: Conveyance of the Property will be by quitclaim deed releasing any and all interest the LCRAHC has in the Property. The LCRAHC will not provide a commitment for title insurance or supplemental abstract. If SC St. Louis desires to obtain a commitment for title insurance or a supplemental abstract, and if in so doing SC St. Louis determines that the requirements for obtaining fee title are unsatisfactory, SC St. Louis shall have until the expiration of the Option Period in which to advise the LCRAHC in writing of the unsatisfactory requirements and void the contract.

(12) COOPERATION: The LCRAHC agrees to cooperate with SC St. Louis in requesting and obtaining any governmental licenses, approvals, zoning or land use changes as may be requested by SC St. Louis, including access to the Property pursuant to Section 9 of this Agreement.

(13) CLOSING COSTS: Except as otherwise provided for herein, all closing costs shall be paid by SC St. Louis.

(14) ENTIRE AGREEMENT, AMENDMENTS: This Agreement constitutes the entire agreement between the parties. Any change in this Agreement, whether by modification or supplementation, must be accompanied by a formal contract amendment signed and approved by the duly authorized representative of the parties.

(15) LCRAHC'S REPRESENTATIVE: \_\_\_\_\_ is designated as the LCRAHC's representative for the purpose of administering the provisions of this Agreement.

(16) LAW OF MISSOURI TO GOVERN: This Agreement shall be construed according to the laws of the State of Missouri. The parties shall comply with all local, state and federal laws and regulations relating to the performance of this Agreement.

(17) ASSIGNMENT: SC St. Louis may assign, transfer or delegate any interest in this Agreement to any party controlling, under common control with, or controlled by SC St. Louis without the prior written consent of the LCRAHC. SC St. Louis shall not otherwise assign any interest in this Agreement without the prior written consent of the LCRAHC.

(18) NONWAIVER: No delay or failure by either party to exercise or enforce any right hereunder, and no partial or single exercise of any such right, shall constitute a waiver of that or any other right, unless otherwise provided herein.

(19) NOTICE: All elections, notices and other communications to be given hereunder by either party to the other shall be in writing and sent by (a) personal delivery, (b) nationally recognized overnight carrier, or (c) certified or registered mail, receipt requested, postage prepaid, addressed,

If to the LCRAHC:

Land Clearance for Redevelopment Authority  
1520 Market Street, Suite 2000  
St. Louis, MO 63103  
Attn: Executive Director  
Phone: 314-657-3771

Email: WilliamsoT@stlouis-mo.gov

If to SC St. Louis:

Terry Matlack  
SC STL LLC  
7701 Forsyth Blvd., Suite 1000  
St. Louis, MO 63105

With a copy to:

Husch Blackwell LLP  
190 Carondelet Plaza  
Suite 600  
Clayton, MO 63105  
Attn: Gregory Smith  
Phone: 314-480-1720  
Email: Gregory.Smith@huschblackwell.com

or at such other address as either party may designate to the other by written notice in the manner provided. Any such notices or election shall be effective (i) if sent by personal delivery, upon receipt, (ii) if sent by overnight courier, one (1) business day after delivery to such overnight courier, and (iii) if sent by U.S. Mail, two (2) business days after mailing without regard to actual receipt by the addressee.

(20) EXTENSION OF CLOSING DATE: If all parties are in agreement; the time period for closing this transaction can be extended by attaching an "Addendum" specifying a new date for closing.

(21) CANCELLATION: Either party may cancel this Agreement at any time for a material breach of contractual obligations by providing the other party with written notice of cancellation. Should either party exercise its right to cancel this Agreement for such reasons, cancellation will become effective upon the date specified in the notice of cancellation sent to the other party; Sections 7 and 9 of the Agreement to survive the cancellation or termination of the Agreement.

(22) VENUE: It is agreed by the parties that any action at law, suit in equity, or other judicial proceeding to enforce or construe this Agreement, or regarding its alleged breach, shall be instituted only in the Circuit Court of the City of St. Louis, Missouri.

(23) SOLE BENEFICIARY: This Agreement is made for the sole benefit of the parties hereto and nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the LCRAHC and SC St. Louis.

(24) SECTION HEADINGS: All section headings contained in this Agreement are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

(25) NO ADVERSE INFERENCE: This Agreement shall not be construed more strongly against one party or the other. The parties to this Agreement had equal access to, input with respect to, and influence over the provisions of this Agreement. Accordingly, no rule of construction which requires that any allegedly ambiguous

provision be interpreted more strongly against one party than the other shall be used in interpreting this Agreement.

(26) VOLUNTARY NATURE OF AGREEMENT: Each party to this Agreement warrants and certifies that it enters into this transaction and executes this Agreement freely and voluntarily and without being in a state of duress or under threats or coercion.

(27) APPROVAL OF LCRAHC: This Agreement is subject to the approval of the LCRAHC and is not final until it has been approved by the LCRAHC at one of its meetings. The "Effective Date" shall mean the date that this Agreement is approved by the LCRAHC and executed by an authorized representative of the LCRAHC as shown below the signature of the authorized representative of the LCRAHC.

(28) AUTHORIZATION TO EXECUTE: SC St. Louis represents that it has duly authorized the execution of this Agreement.

[Remainder of page intentionally left blank. Signature page to follow]



IN WITNESS WHEREOF, the parties have entered into this Agreement on the date last written below:

Executed by the LCRAHC 16<sup>th</sup> day of December, 20 16.

Executed by SC St. Louis \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

LCRA HOLDINGS CORPORATION

By Chris Williams

Title: Executive Director

SC STL LLC

By \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:

Leslie M. Hancu  
Title: Associate City Counselor



ACKNOWLEDGEMENT BY LCRAHC

STATE OF MISSOURI

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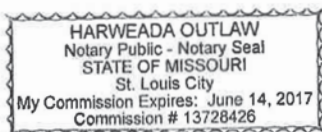
SS.

CITY OF ST. LOUIS

)

On this 16<sup>th</sup> day of December, 2016, before me appeared Otis Williams, to me personally known, who being by me duly sworn did say that he did have the power and authority to act on behalf of LCRA Holdings Corporation, and that said instrument was signed on behalf of such entity, and that he acknowledged said instrument to be the free act and deed of said entity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid the day and year first above written.



  
Notary Public

My Commission Expires:

6/14/2017

STATE OF MISSOURI                     )  
  )                     SS.  
COUNTY OF \_\_\_\_\_ )

My Commission Expires:

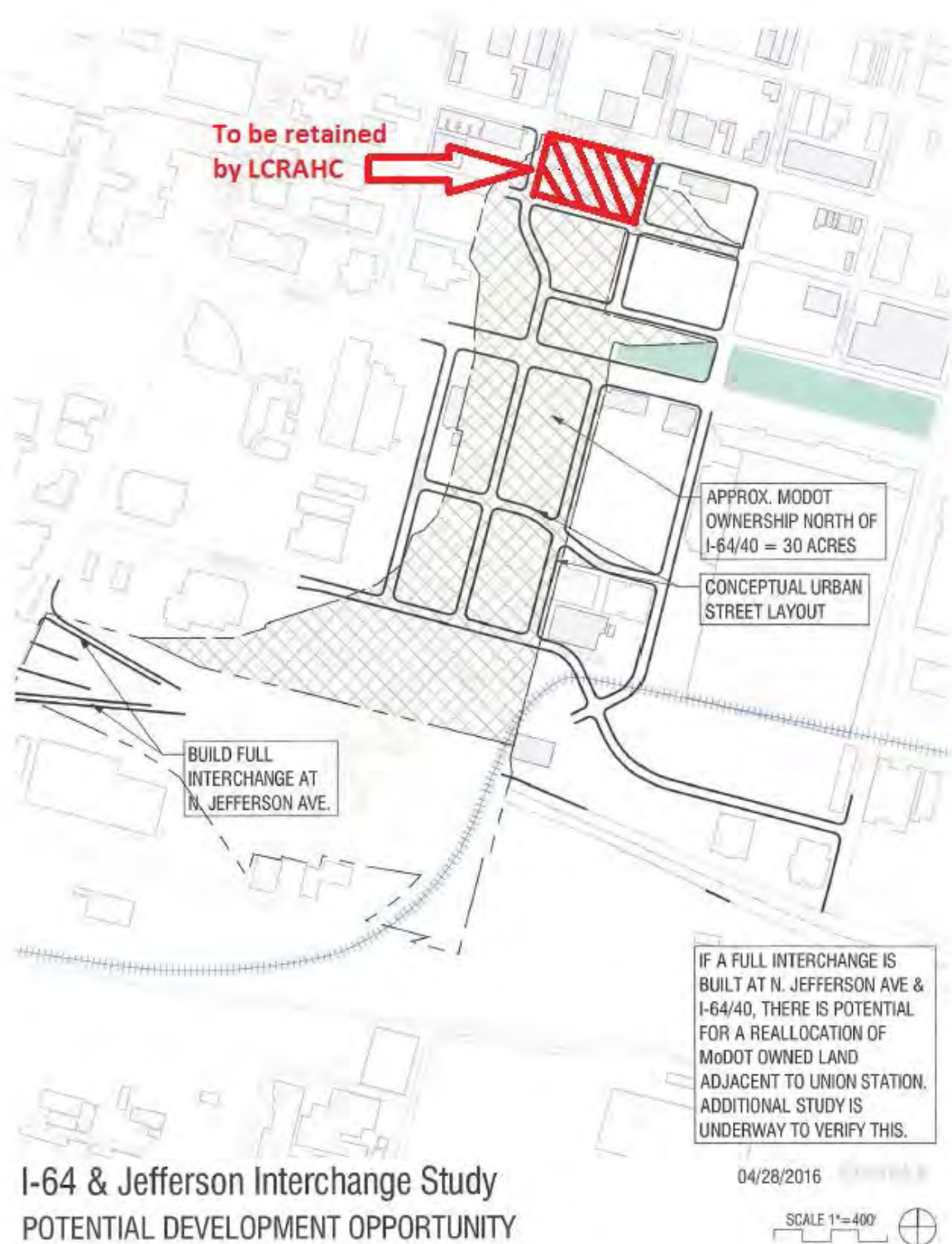
## EXHIBIT A – Legal Description of Property

(To be attached)

All that part of Commission's property located in City Blocks now or formerly known as 904, 905, 906, 911, 912, 913, 914, 915, 916, 1698, 1699, 1700, 1701, 1709, 1710 in the City of St. Louis bounded on the north by Olive Street, on the east by 20<sup>th</sup> and 21<sup>st</sup> Streets, on the south by Route I-64 and on the west by 22<sup>nd</sup> Street and Route I-64, as indicated in Exhibit B.

The exact legal description of the tract of land that is the subject of this Agreement shall be determined by a survey to be prepared by a licensed surveyor as further provided for in this Agreement, and shall appear in the quitclaim deed.

EXHIBIT B  
Parking Lot Property



I-64 & Jefferson Interchange Study  
POTENTIAL DEVELOPMENT OPPORTUNITY

## FUNDING AGREEMENT

This Agreement is entered into as of the 10<sup>th</sup> day of November, 2016, by and between **LCRA Holdings Corporation** ("LCRAHC"), a not for profit corporation organized and existing under and pursuant to the laws of the State of Missouri, having its offices at 1520 Market Street, Suite 2000, St. Louis, Missouri 63103, and **SC STL LLC** ("SC St. Louis").

WHEREAS, in conjunction with other stakeholders, LCRAHC plans to support the initial stages of redevelopment of an area adjacent to the I-64/ 22<sup>nd</sup> Street Interchange (the "Area") by arranging for necessary contracts related to the redevelopment of the Area (the "Project");

WHEREAS, SC St. Louis expects that the overall cost for the site acquisition services to support the initial stages of redevelopment of the Area will be an amount up to \$2,500 per property for mobilization and initial work (estimated to be a maximum of 5 properties for a total maximum cost of \$10,000 (the "Initial Fee")) and a rate of up to the lesser of 2% of the acquisition price or \$100,000 (with the Initial Fee applied to such amount) per property appraised for each property, and will fund that expense, but requires LCRAHC to make the contractual arrangements using a consultant from LCRAHC's short list;

WHEREAS, SC St. Louis acknowledges that LCRAHC will incur costs and fees related to due diligence undertaken in connection with the acquisition of property located within the Area, including, by way of example, obtaining appraisals, surveys, and title commitments for property within the Area (collectively, the "Due Diligence Costs");

WHEREAS, SC St. Louis agrees that subject to the terms of this Agreement it will pay for certain Due Diligence Costs related to the Project;

NOW, THEREFORE, for and in consideration of the circumstances described above, the covenants and agreements expressed below, and other good and valuable consideration the receipt and adequacy of which are hereby acknowledged by them, the parties agree as follows:

1. LCRAHC will execute the Contract for Acquisition Services attached hereto as Exhibit A on behalf of SC St. Louis.
2. LCRAHC will present invoices received pursuant to work performed under the Contract for Acquisition Services to SC St. Louis.
3. SC St. Louis will remit prompt payment directly to the service provider under the Contract for Acquisition Services. If "non-employee wages" need to be reported for these services, SC St. Louis will issue the appropriate required forms (i.e. "1099-MISC").
4. Any changes in scope or cost will be at the discretion of SC St. Louis, including the right of SC St. Louis, in its sole discretion, to elect to terminate at any time the efforts being undertaken pursuant to the Contract for Acquisition Services. Except as set forth in Section 8 below, upon SC St. Louis' election to terminate the efforts being undertaken pursuant to the Contract for Acquisition Services, SC St. Louis shall have no further obligations, and shall have no further liability under this Agreement, to LCRAHC.



5. SC St. Louis agrees to share the results of its efforts with LCRAHC and make available to LCRAHC all related reports, studies and plans prepared in support of the proposed redevelopment of the Area.

6. The activities contemplated to be undertaken pursuant to the Contract for Acquisition Services shall commence upon execution of this Agreement and shall be completed within one (1) year of the date of this Agreement.

7. Any records prepared or produced under the provisions of this Agreement shall be subject to the provisions of Chapter 610 of the Revised Statutes of the State of Missouri (the Missouri open records act).

8. SC St. Louis hereby agrees to reimburse LCRAHC the amount of actual costs incurred or paid by LCRAHC related to the Due Diligence Costs, provided that all Due Diligence Costs for which LCRAHC seeks reimbursement are directly attributable to the Project. Notwithstanding the foregoing, SC St. Louis' obligation to reimburse LCRAHC for the Due Diligence Costs shall not exceed Seventeen Thousand Dollars (\$17,000).

9. LCRAHC will present invoices related to the Due Diligence Costs directly to SC. St. Louis.

10. SC St. Louis will remit prompt payment directly to the service provider related to the invoiced Due Diligence Costs.

11. LCRAHC hereby agrees that it will not spend or incur any Due Diligence Costs without the prior written approval of SC. St. Louis.

12. SC St. Louis acknowledges and agrees that as specific consideration for LCRAHC entering into this Agreement, SC St. Louis shall be responsible for all costs associated with the work performed, pursuant to the Contract for Acquisition Services, and shall hold LCRAHC harmless from any and all losses, damage, liability or expense of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including attorneys' fees and the cost of defense), in connection with the performance of services hereunder or with this Agreement.

13. SC St. Louis shall not be required to make any payment, fee, or reimbursement of any kind to LCRAHC under this Agreement for any work related to the Contract for Acquisition Services for property owned by the following parties: (1) The Missouri Department of Transportation; (2) USH, LLC; (3) USH West, LLC; (4) The Missouri Highways and Transportation Commission; and (5) EQH – St. Louis Market Street, LLC (collectively, the "Excluded Parties") and the successor, assigns, and related parties of the Excluded Parties.

14. This Agreement may be amended in writing when executed by the parties.


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

(SEAL)


**LCRA HOLDING CORPORATION**

By:   
Otis Williams, Executive Director

ATTEST:

  
Assistant Secretary

**SC STL LLC**

By:   
Print Name: Darne Peacock  
Title: President



## **Exhibit E**

RESOLUTION NO. 16-LCRAHC-35E  
PRESENTED TO THE BOARD ON AUGUST 23, 2016

**TO:** LCRA HOLDINGS CORPORATION BOARD OF DIRECTORS  
OTIS WILLIAMS, EXECUTIVE DIRECTOR

**FROM:** ROB ORR

**RE:** RESOLUTION AUTHORIZING LCRA HOLDINGS CORPORATION TO ENTER  
INTO AN OPTION AGREEMENT WITH THE MISSOURI HIGHWAYS AND  
TRANSPORTATION COMMISSION TO ACQUIRE PROPERTY IN THE MILL  
CREEK REDEVELOPMENT AREA

---

### **EXECUTIVE SUMMARY:**

This Resolution authorizes and approves an Option Agreement between LCRA Holdings Corporation (LCRAHC) and the Missouri Highways and Transportation Commission of the Missouri Department of Transportation (Highway Commission) for the purchase of property that is part of the I-64 at 22<sup>nd</sup> Street Interchange (the Property).

---

### **BACKGROUND:**

LCRA Holdings Corporation is authorized to purchase real property for the purpose of holding, improving or preparing property for development. The Highway Commission owns property that is now part of the I-64 at 22<sup>nd</sup> Street Interchange that it is willing to sell to LCRAHC for purposes of development if the property becomes excess property due to the proposed Jefferson Ramp Project improvements and LCRAHC would enter into the Option to secure the property for future development.

The exercise of the Option by LCRAHC is contingent upon the availability of funds for the acquisition of the Property and a Purchase and Sale agreement would be presented to the Board prior to any acquisition of the Property and expenditure of funds.

---

### **REQUESTED ACTION:**

Approval of this Resolution.

---

NOW, THEREFORE, be it resolved by the Board of Directors of LCRA Holdings Corporation as follows:

1. The Board of Directors of LCRA Holdings Corporation authorizes and approves an Option Agreement between LCRA Holdings Corporation (LCRAHC) and the Missouri Highways and Transportation Commission of the Missouri Department of Transportation (Highway Commission) for the purchase of property that is part of the I-64 at 22<sup>nd</sup> Street Interchange (the Property).
2. The actions of the Executive Director, his designee(s), officials, agents and employees of LCRA Holdings Corporation heretofore taken in connection with the transactions contemplated by this

Resolution are hereby ratified and confirmed, and the Executive Director, his designee(s), such officials, agents and employees are hereby authorized to take such further action and execute and deliver such other documents and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of LCRA Holdings Corporation with respect to the transactions. The final form of the Option Agreement, with such changes as the Executive Director may approve which are consistent with the form as submitted to the Corporation, shall be conclusive evidence of approval by the Authority with the signature of the Executive Director, whether manual or facsimile.

3. The Executive Director, his/her designee, and the appropriate officers, agents and employees are hereby authorized to take all actions necessary and proper to effectuate the intent of this Resolution.
4. This Resolution shall take effect and be in full force immediately after its passage and approval by the governing body of the Corporation.

ADOPTED this 23rd day of August 2016.

LCRA HOLDINGS CORPORATION

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



Title: \_\_\_\_\_ Executive Director

ATTEST:

  
Assistant Secretary

**RESOLUTION NO. 16-LCRAHC-40E  
PRESENTED TO THE BOARD – OCTOBER 25, 2016**

**TO: LCRA HOLDINGS CORPORATION BOARD OF DIRECTORS AND  
OTIS WILLIAMS, EXECUTIVE DIRECTOR**

**FROM: ROB ORR**

**RE: RESOLUTION AUTHORIZING THE ACQUISITION OF PARCELS OF  
LAND IN CITY BLOCKS 1699, 1709.22, 1696.04 AND 1695.04 IN THE MILL  
CREEK VALLEY PROJECT REDEVELOPMENT AREA AND A PARCEL IN  
CITY BLOCK 1692.06; A FUNDING AGREEMENT WITH SC ST. LOUIS,  
LLC; AND A CONTRACT WITH DEVELOPMENT RESOURCE PARTNERS,  
LLC FOR ACQUISITION SERVICES (ALDERWOMAN CHRISTINE  
INGRASSIA – 6TH WARD)**

---

**EXECUTIVE SUMMARY:**

This Resolution authorizes the acquisition of parcels of land in City Blocks 1699, 1709.22, 1696.04 and 1695.04 in the Mill Creek Valley Project Redevelopment Area, and a parcel of land in City Block 1692.06 outside that Area (parcels set forth in Exhibit A numbered 1-6). It also authorizes the Executive Director, on behalf of LCRA Holdings Corporation ("LCRAHC"), to enter into a funding agreement with SC St. Louis, LLC ("SC StL"), and a contract with Development Resources Partners, LLC for acquisition services.

---

**BACKGROUND:**

SC StL has asked LCRAHC for assistance in acquiring parcels of land in City Blocks 1699, 1709.22, 1696.04 and 1695.04 in the Mill Creek Valley Project Redevelopment Area (the "Mill Creek Parcels") and a parcel of land in City Block 1692.06 outside that Area to support the initial stages of redevelopment of an area adjacent to the I-64/22nd Street Interchange (the "Area"), including parking. A depiction of the parcels being considered for acquisition, numbered 1-6, is attached as Exhibit A to this Resolution.

SC StL has agreed to fund the expenses for the acquisition. A Funding Agreement between SC StL and LCRAHC will enable LCRAHC to provide support with the assurance that SC StL will be fully engaged in the acquisition process. The Funding Agreement is attached to this Resolution as Exhibit B and will fund the initial expenses. A further Funding Agreement or Agreements will be required to fund subsequent acquisition expenses for both professional services and the properties as well. This Resolution will authorize acquisition of the Mill Creek Parcels, along with the parcel in City Block 1692.06 (collectively, "City Parcels"), contingent upon execution of subsequent Agreements with SC StL sufficient to fund or reimburse all expenses associated with the acquisition of said City Parcels.

Development Resources Partners, LLC has been placed on LCRA's short list for acquisition specialists, which LCRAHC hereby adopts, and has submitted a proposal to provide the desired acquisition services. A summary of those services is attached to this Resolution as Exhibit C.

---

**REQUESTED ACTION:**

Approval of this Resolution.

---

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LCRA HOLDINGS CORPORATION THAT:**

1. The acquisition of City Blocks 1699, 1709.22, 1696.04 and 1695.04 in the Mill Creek Valley Development Area, along with City Block 1692.06 (parcels set forth and numbered 1-6 in Exhibit A), is hereby authorized.
2. The Executive Director is hereby authorized on behalf of the LCRA Holdings Corporation to enter into a Funding Agreement with SC St. Louis, LLC, substantially in the form as attached to this Resolution as Exhibit B.
3. The Executive Director is hereby authorized and directed to enter into a contract with Development Resource Partners, LLC, on behalf of LCRAHC, for acquisition services to acquire the Mill Creek Parcels, along with the parcel in City Block 1692.06 (the "City Parcels," as set forth and numbered 1-6 in Exhibit A), based on the parameters set forth in Exhibit C. The final form of the contract with Development Resource Partners, LLC, may be approved by the Executive Director of the Corporation, and his signature, whether manual or facsimile, shall be conclusive evidence of approval by the Corporation.
4. The Executive Director, or his authorized designee, is authorized, on behalf of LCRAHC, to enter into subsequent Agreements with SC STL to fund or reimburse any expense associated with the acquisition of said City Parcels.
5. Acquisition of the said City Parcels, and the expenditure of any funds associated with that acquisition, are contingent upon the execution of Agreements with SC STL to cover any expenses.
6. The Executive Director may take any action and execute any instruments, documents or affidavits to effectuate the intent of this Resolution.
7. This Resolution shall take effect and be in full force immediately after its passage and approval by the governing body of LCRAHC.

RESOLUTION NO. 16-LCRAHC-40E  
PRESENTED TO THE BOARD – OCTOBER 25, 2016

**ADOPTED** this 25th day of October, 2016.

**LCRA HOLDINGS CORPORATION**

By:   
Title: Executive Director

(SEAL)

ATTEST:

  
Assistant Secretary







## FUNDING AGREEMENT

This Agreement is entered into as of the \_\_\_\_ day of October, 2016, by and between **LCRA Holdings Corporation** ("LCRAHC"), a not for profit corporation organized and existing under and pursuant to the laws of the State of Missouri, having its offices at 1520 Market Street, Suite 2000, St. Louis, Missouri 63103, and **SC St. Louis, LLC** ("SC St. Louis").

WHEREAS, in conjunction with other stakeholders, LCRAHC plans to support the initial stages of redevelopment of an area adjacent to the I-64/ 22<sup>nd</sup> Street Interchange (the "Area") by arranging for necessary contracts related to the redevelopment of the Area (the "Project");

WHEREAS, SC St. Louis expects that the overall cost for the site acquisition services to support the initial stages of redevelopment of the Area will be an amount up to \$2,500 per property for mobilization and initial work (estimated to be a maximum of 5 properties for a total maximum cost of \$10,000 (the "Initial Fee")) and a rate of up to the lesser of 2% of the acquisition price or \$100,000 (with the Initial Fee applied to such amount) per property appraised for each property, and will fund that expense, but requires LCRAHC to make the contractual arrangements using a consultant from LCRAHC's short list;

WHEREAS, SC St. Louis acknowledges that LCRAHC will incur costs and fees related to due diligence undertaken in connection with the acquisition of property located within the Area, including, by way of example, obtaining appraisals, surveys, and title commitments for property within the Area (collectively, the "Due Diligence Costs");

WHEREAS, SC St. Louis agrees that subject to the terms of this Agreement it will pay for certain Due Diligence Costs related to the Project;

NOW, THEREFORE, for and in consideration of the circumstances described above, the covenants and agreements expressed below, and other good and valuable consideration the receipt and adequacy of which are hereby acknowledged by them, the parties agree as follows:

1. LCRAHC will execute the Contract for Acquisition Services attached hereto as Exhibit A on behalf of SC St. Louis.
2. LCRAHC will present invoices received pursuant to work performed under the Contract for Acquisition Services to SC St. Louis.
3. SC St. Louis will remit prompt payment directly to the service provider under the Contract for Acquisition Services. If "non-employee wages" need to be reported for these services, SC St. Louis will issue the appropriate required forms (i.e. "1099-MISC").
4. Any changes in scope or cost will be at the discretion of SC St. Louis, including the right of SC St. Louis, in its sole discretion, to elect to terminate at any time the efforts being undertaken pursuant to the Contract for Acquisition Services. Except as set forth in Section 8 below, upon SC St. Louis' election to terminate the efforts being undertaken pursuant to the Contract for Acquisition Services, SC St. Louis shall have no further obligations, and shall have no further liability under this Agreement, to LCRAHC.



5. SC St. Louis agrees to share the results of its efforts with LCRAHC and make available to LCRAHC all related reports, studies and plans prepared in support of the proposed redevelopment of the Area.

6. The activities contemplated to be undertaken pursuant to the Contract for Acquisition Services shall commence upon execution of this Agreement and shall be completed within one (1) year of the date of this Agreement.

7. Any records prepared or produced under the provisions of this Agreement shall be subject to the provisions of Chapter 610 of the Revised Statutes of the State of Missouri (the Missouri open records act).

8. SC St. Louis hereby agrees to reimburse LCRAHC the amount of actual costs incurred or paid by LCRAHC related to the Due Diligence Costs, provided that all Due Diligence Costs for which LCRAHC seeks reimbursement are directly attributable to the Project. Notwithstanding the foregoing, SC St. Louis' obligation to reimburse LCRAHC for the Due Diligence Costs shall not exceed Seventeen Thousand Dollars (\$17,000).

9. LCRAHC will present invoices related to the Due Diligence Costs directly to SC. St. Louis.

10. SC St. Louis will remit prompt payment directly to the service provider related to the invoiced Due Diligence Costs.

11. LCRAHC hereby agrees that it will not spend or incur any Due Diligence Costs without the prior written approval of SC. St. Louis.

12. SC St. Louis acknowledges and agrees that as specific consideration for LCRAHC entering into this Agreement, SC St. Louis shall be responsible for all costs associated with the work performed, pursuant to the Contract for Acquisition Services, and shall hold LCRAHC harmless from any and all losses, damage, liability or expense of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including attorneys' fees and the cost of defense), in connection with the performance of services hereunder or with this Agreement.

13. SC St. Louis shall not be required to make any payment, fee, or reimbursement of any kind to LCRAHC under this Agreement for any work related to the Contract for Acquisition Services for property owned by the following parties: (1) The Missouri Department of Transportation; (2) USH, LLC; (3) USH West, LLC; (4) The Missouri Highways and Transportation Commission; and (5) EQH - St. Louis Market Street, LLC (collectively, the "Excluded Parties") and the successor, assigns, and related parties of the Excluded Parties.

14. This Agreement may be amended in writing when executed by the parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

(SEAL)

LCRA HOLDING CORPORATION

ATTEST:

By: \_\_\_\_\_  
Otis Williams, Executive Director

\_\_\_\_\_  
Assistant Secretary

\_\_\_\_\_  
\_\_\_\_\_

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

**Contract for Acquisition Services**

(See attached)

## **Introduction**

Development Resource Partners, LLC ("DRP") is pleased to present this conceptual scope of services to the City of St. Louis LCRA Holdings Corporation ("LCRAHC") for the I-64/22<sup>nd</sup> Street Interchange acquisition project. DRP has assisted a variety of public and private entities with similar efforts and has developed strategies that have proven successful for our clients. DRP envisions the following methodology as a good working template from which to commence this project. The scope, which has been developed for clients that have condemnation powers, adheres to the regulations governing those types of takings.

## **Proposed Scope of Services**

### **Mobilization**

DRP staff will:

- Meet with LCRAHC staff to review project goals and refine scope of work.
- Coordinate with LCRAHC staff to which federal, state and local statutes and regulations are applicable to this project.
- Examine available drawings and ownership information to ensure no changes in ownership have occurred recently.
- Work with LCRAHC staff to select qualified professionals for appraisals and review appraisals, if necessary.
- Work with LCRAHC staff to select qualified title company to perform title searches and other needed services for the project, if necessary.
- Work with LCRAHC staff to determine if the services of any other third party provider is required.
- Attend meetings as deemed necessary by LCRAHC.

### **Acquisition Process:**

DRP staff will:

- Meet with owners to discuss project and process.
- Coordinate the appraisal process, if necessary.
- Provide proper Notice to owners with Official Offer.
- Conduct any necessary negotiations with owners.
- Keep complete and accurate records of acquisition and negotiation process.
- Ensure notices are provided in accordance with federal, state and local statutes and regulations.
- Work with LCRAHC staff in the preparation of acquisition contract or donation documents.
- Work with title company to obtain title insurance policy on each parcel.
- Attend all closings to ensure transaction completion.
- If necessary, provide condemnation recommendations and assist with the condemnation process.

#### Administrative

- Create and maintain permanent files for each parcel, including the deeds, settlement statements, and title insurance policies for each parcel, as applicable.
- Develop and maintain project schedule.
- Create and maintain contact sheets and memoranda.
- Prepare and submit bi-weekly progress reports to LCRAHC.

DRP will work closely with LCRAHC to ensure the success of the project. DRP is willing to work with LCRAHC to revise the above-outlined scope to ensure it meets the needs and expectations of LCRAHC.

#### Exclusions

DRP hereby acknowledges and agrees that this proposal shall not cover, and DRP shall not be entitled to receive any payment, fee, or reimbursement of any kind related to the acquisition of any property currently owned by the following parties: (1) The Missouri Department of Transportation; (2) USH, LLC; (3) USH West, LLC; (4) The Missouri Highways and Transportation Commission; and (5) EQH – St. Louis Market Street, LLC (collectively, the "Excluded Parties") and that this exclusion shall apply to any successor, assign, or related party of the Excluded Parties.

#### Termination

LCRAHC shall have the right, in its sole discretion, to terminate this proposal, for any reason or no reason, and at any time, by providing written notice to DRP. Upon receipt of such written notice by DRP, DRP shall immediately cease any and all work related to this proposal, and LCRAHC shall have no further liability or obligations to DRP in connection with this proposal.

#### Fee Proposal

DRP proposes a total fee of 2% of the acquisition price (with a maximum fee of \$100,000 per parcel.) The 2% fee will be due and payable upon closing on each property, with the exception of the fees listed below.

DRP further proposes fees for mobilization and initial work of \$2,500 per parcel payable as follows:

\$1,000.00 at initial contact with property owner  
\$1,500.00 at contract offer

[Type the author name]

These fees will be applied to the overall 2% fee at closing.

We appreciate the opportunity to submit this outline to LCRAHC. If you have any questions or need further information, please contact Doug Marshall or Kurt Schulte at 314-395-9905.

### **Confidentiality**

Except to the extent such disclosures are required by applicable laws, DRP hereby agrees that it shall not disclose, and shall ensure that its partners, representatives, agents, members, managers, and employees do not disclose, the terms or nature of this proposal, or any aspect of this proposal, including the very existence of this proposal, the fees to be charged in connection with this proposal, or the acquisition prices for any property contemplated to be acquired pursuant to this proposal, to any third party without the prior written consent of LCRAHC.



**RESOLUTION NO. 16-LCRAHC-43E  
PRESENTED TO THE BOARD – DECEMBER 2, 2016**

**TO: LCRA HOLDINGS CORPORATION BOARD OF DIRECTORS AND  
OTIS WILLIAMS, EXECUTIVE DIRECTOR**

**FROM: ROB ORR**

**RE: RESOLUTION AUTHORIZING LCRA HOLDINGS CORPORATION TO  
ENTER INTO AN OPTION AGREEMENT WITH SC STL, LLC TO SELL  
PROPERTY IN THE MILL CREEK REDEVELOPMENT AREA**

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**EXECUTIVE SUMMARY:**

This Resolution authorizes and approves an Option Agreement between LCRA Holdings Corporation ("LCRAHC") and SC STL, LLC ("SC St. Louis") for the sale of property that is part of the I-64 at 22nd Street Interchange (the "Property") to be purchased by LCRAHC from the Missouri Highways and Transportation Commission of the Missouri Department of Transportation ("Highway Commission").

---

**BACKGROUND:**

LCRA Holdings Corporation is authorized to purchase real property for the purpose of holding, improving or preparing property for development. The Highway Commission owns property, that is now part of the I-64 at 22nd Street Interchange, which it is willing to sell to LCRAHC for purposes of development if the property becomes excess property due to the proposed Jefferson Ramp Project improvements. LCRAHC has entered into an Option to secure the property for future development, which was approved by the Board by Resolution No. 16-LCRAHC-35E on August 23, 2016.

The exercise of the Option by LCRAHC is contingent upon the availability of funds for the acquisition of the Property, and a Purchase and Sale Agreement would be presented to the Board prior to any acquisition of the Property and expenditure of funds.

This Resolution authorizes execution of an Option and a sale of the Property to SC St. Louis, which Option they may exercise if and when LCRAHC exercises its Option with the Highway Commission.

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**REQUESTED ACTION:**

Approval of this Resolution.

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**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LCRA HOLDINGS CORPORATION, THAT:**

1. The Board of Directors of LCRA Holdings Corporation (LCRAHC) authorizes and approves an Option Agreement between LCRAHC and SC STL, LLC for the sale of property that is part of the I-64 at 22nd Street Interchange (the "Property").

2. The actions of the Executive Director, his designee(s), officials, agents and employees of LCRAHC heretofore taken in connection with the transactions contemplated by this Resolution are hereby ratified and confirmed, and the Executive Director, his designee(s), such officials, agents and employees are hereby authorized to take such further action and execute and deliver such other documents and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of LCRAHC with respect to the transactions. The final form of the Option Agreement, with such changes as the Executive Director may approve which are consistent with the form as submitted to the Corporation, shall be conclusive evidence of approval by the Corporation with the signature of the Executive Director, whether manual or facsimile.

3. The Executive Director, and/or his designee, and the appropriate officers, agents and employees of the Corporation are hereby authorized to take all actions necessary and proper to effectuate the intent of this Resolution.

4. This Resolution shall take effect and be in full force immediately after its passage and approval by the governing body of the Corporation.

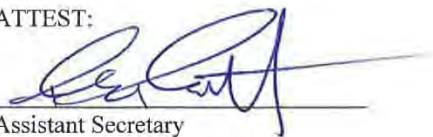
**ADOPTED** this 2nd day of December, 2016.

**LCRA HOLDINGS CORPORATION**

By:   
Title: Executive Director

(SEAL)

ATTEST:

  
Assistant Secretary

**LCRA HOLDINGS CORPORATION  
OPTION AGREEMENT**

THIS AGREEMENT ("Agreement") is entered into by the LCRA Holdings Corporation (hereinafter, "LCRAHC") and SC STL LLC (hereinafter, "SC St. Louis").

WITNESSETH:

WHEREAS, the LCRAHC and the Missouri Highways and Transportation Commission ("the Commission") have executed that certain Option Agreement dated as of September 1, 2016 ("the Commission Option Agreement") for the Commission to sell and the LCRAHC to purchase property interests owned by the Commission located in the City of St. Louis, Missouri (hereinafter, "City") as part of the I-64 at 22<sup>nd</sup> Street Interchange, as more particularly described in Exhibit A, which is attached hereto and incorporated herein by reference (the "Property");

WHEREAS, the LCRAHC desires to grant to SC St. Louis an option to purchase any and all of the LCRAHC's interests in the Property acquired by the LCRAHC pursuant to the terms of the Commission Option Agreement, less only (i) that portion of the Property reasonably necessary for public right of way for reconfiguration of roadways and other public infrastructure improvements and (ii) that portion of the Property identified on the attached Exhibit B to be retained by the LCRAHC (the "Parking Lot Property");

WHEREAS, the LCRAHC, in consideration of the terms, conditions and promises hereinafter contained, agrees to grant such option to SC St. Louis.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and representations in this Agreement, the parties agree as follows;

(1) SC ST. LOUIS PURCHASE OPTION:

(A) LCRAHC's Interest in the Property: SC St. Louis shall have the right to purchase the LCRAHC's interest in the Property and the LCRAHC hereby grants to SC St. Louis the option to purchase the LCRAHC's interest in the Property, as provided herein. The LCRAHC's interest in the Property is any and all interest in the Property acquired by the LCRAHC pursuant to the terms of the Commission Option Agreement. The description of the Property in Exhibit A is for general reference only. As set forth in the Commission Option Agreement, the precise size and property description of the Property will be determined at a later date once the Commission's contingencies are met and requirements of the Jefferson Ramp Project are fully known. The LCRAHC hereby agrees that the Property to be conveyed to SC St. Louis shall be all of the LCRAHC's property interests in the Property pursuant to the Commission Option Agreement, less only (i) that portion of the Property reasonably necessary for public right of way for reconfiguration of roadways and other public infrastructure improvements and (ii) the Parking Lot

Property, which is to be retained by the LCRAHC. The LCRAHC makes absolutely no representation or warranty as to the state of the title to the Property or the nature of the LCRAHC's interest. SC St. Louis acknowledges that the LCRAHC makes absolutely no representation or warranty as to the title of the Property or the nature of the LCRAHC's interest. SC St. Louis shall have the right to purchase the LCRAHC's interest in the Property (less that portion of the Property to be retained by the LCRAHC in accordance with this Agreement) at any time within twelve (12) months after the Effective Date (hereinafter defined) (the "Option Period"). SC St. Louis shall exercise such purchase rights by giving the LCRAHC written notice (the "Closing Notice") thereof within the applicable time periods specified in the immediately preceding sentence. The Closing Notice shall specify a closing date ("Closing Date"), which date shall be simultaneous with the closing date of the closing contemplated in the Commission Option Agreement between the Commission and the LCRAHC. The Closing Date shall be no earlier than forty-five (45) days after the date of the Closing Notice; provided however, that the LCRAHC shall have no obligation to sell the Property until each and every contingency set forth in Section 6 has been satisfied. Notwithstanding any of the foregoing, it is the intent of the parties for any closing pursuant to this Agreement to occur on the same date as any closing pursuant to the Commission Option Agreement.

(B) Intergovernmental Cooperation Agreement: The parties to this Agreement agree to execute, prior to or simultaneous with the Closing Date, an intergovernmental cooperation agreement between the LCRAHC, SC St. Louis, the City, and the Land Clearance for Redevelopment Authority of the City of St. Louis ("LCRA") with such terms as reasonably agreed upon by all of the parties thereto regarding the ongoing operation, maintenance, and financing of the Property (the "Intergovernmental Cooperation Agreement").

(C) Purchase Price: The purchase price shall be the same as the purchase price defined in the Commission Option Agreement, provided, however, the purchase price for the Property shall be reduced on a per square foot basis to reflect the LCRAHC retaining ownership of the Parking Lot Property pursuant to Section 1(A) of this Agreement (hereinafter, "Purchase Price").

(D) Balance of Payment: SC St. Louis agrees to deliver the Purchase Price by wire, cashier's check or money order to the Escrow Agent on the Closing Date. The parties agree to have U.S. Title Guaranty Company, Inc., 7930 Clayton Road, Suite 200, St. Louis, Missouri 63117, act as Escrow Agent to administer the transactions contemplated by this Agreement. The Escrow Agent shall distribute the balance of the Purchase Price pursuant to the terms of this Agreement.

(E) Closing Costs. SC St. Louis agrees to pay the LCRAHC's reasonable costs associated with the Commission Option Agreement and the closing of the Property, including the cost of recording fees and the cost of any subdivision plat to be recorded at the time of Closing related to the Property.



(2) PARKING LOT PROPERTY OPTION.

(A) In the event the Parking Lot Property is acquired by the LCRAHC pursuant to the Commission Option Agreement, for a period of ten (10) years, commencing on the date the LCRAHC acquired the Parking Lot Property (the "Parking Lot Option Period"), the LCRAHC hereby grants to SC St. Louis the sole and exclusive right and irrevocable option to purchase the Parking Lot Property from the LCRAHC, subject to the following conditions: (i) In the event SC St. Louis exercises its option to purchase the Parking Lot Property, and at such time SC St. Louis exercises its option, the Parking Lot Property is being used by the St. Louis Metropolitan Police Department as a surface parking lot, SC St. Louis shall provide the St. Louis Metropolitan Police Department with replacement parking that is reasonably satisfactory to the LCRAHC; and (ii) SC St. Louis shall purchase the Parking Lot Property for the same price (as determined on a square foot basis) the LCRAHC acquired the Parking Lot Property from the Commission (the "Parking Lot Option").

(B) So long as the Parking Lot Option remains in effect, without the prior written consent of SC St. Louis, the LCRAHC shall not (i) convey title to the Parking Lot Property or any portion thereof; (ii) enter into any agreements with respect to or affecting the Parking Lot Property other than those for ordinary operation and maintenance of the Parking Lot Property; (iii) further encumber the Parking Lot Property in any form or manner whatsoever; (iv) create or allow to be created any exceptions to title to the Parking Lot Property, or amend, modify, or terminate any such exceptions; or (v) solicit offers for or market the LCRAHC's interest in the Parking Lot Property.

(C) In the event SC St. Louis exercises the Parking Lot Option, SC St. Louis shall purchase from the LCRAHC and the LCRAHC shall convey to SC St. Louis the Parking Lot Property in accordance with the terms of a purchase and sale agreement to be mutually agreed upon in good faith by the parties hereto, provided, however, that the purchase price shall be determined in accordance with Section 2(A) of this Agreement.

(D) In the event SC St. Louis exercises its option to purchase the Property in accordance with this Agreement, the Parking Lot Option shall survive the transfer of the Property and shall remain in full force and effect throughout the Parking Lot Option Period.

(3) FULL DISCLOSURE: Due to the fact that the LCRAHC makes no claims to the resulting title of the land being conveyed, the following disclosure will be included in the deed of conveyance:

By conveyance through this quitclaim deed, the LCRA Holdings Corporation makes no claim to the resulting title of the above-described

property and is merely releasing whatever interest it has to the Grantee. It is incumbent upon Grantee to seek its own professional opinion as to the resulting state of title.

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(4) DISBURSEMENT OF FUNDS: The Escrow Agent will disburse funds pursuant to the terms of this Agreement.

(5) UTILITIES RESERVATIONS: The following general utility clause will be included in the deed of conveyance.

GRANTEE, by acceptance of this conveyance, covenants and agrees for itself, its successors and assigns, to allow known or unknown utility facilities currently located on the property, whether of record or not, to remain on the property, and to grant the current and subsequent owners of those facilities the right to maintain, construct and reconstruct the facilities and their appurtenances over, under, and across the land herein conveyed, along with the right of ingress and egress across the land herein conveyed to and from those utilities.

In addition to the general utility clause, SC St. Louis shall be required to grant easements, by separate document, to utility companies.

(6) CONTINGENCIES: Notwithstanding anything to the contrary contained herein, SC St. Louis's option to purchase the Property from the LCRAHC is contingent upon the complete satisfaction of each of the following contingencies (collectively, the "Contingencies"):

(A) The complete satisfaction of all required contingencies to the LCRAHC's option to purchase the Property under the terms of the Commission Option Agreement;

(B) Written notice from SC St. Louis to the LCRAHC directing the LCRAHC to exercise its option to purchase the Property under the terms of the Commission Option Agreement;

(C) The LCRAHC's exercise of its option to purchase the Property under the terms of the Commission Option Agreement; and

(D) The Intergovernmental Cooperation Agreement has been fully executed by the parties thereto.

(7) INDEMNIFICATION: In the event the above contingencies are satisfied and SC St. Louis declines to exercise its option to purchase the Property under the terms of this Agreement, SC St. Louis shall indemnify and hold the LCRAHC harmless from and against any and all claims, suits, damages, liabilities, or expenses, including the Purchase Price of the Property, court costs, and reasonable attorneys' fees, arising out of

negotiations, inspections, acquisitions, preparations, construction, operation, and other activities of the LCRAHC or its agents in connection with or relating to the Property.

(8) SURVEY: The LCRAHC shall obtain a boundary survey of the Property prepared by a surveyor or engineer licensed in the State of Missouri, certified to be in accordance with the most recent Missouri Land Survey Standards (the "Survey"), with such cost to be reimbursed by SC St. Louis at closing.

(9) ACCESS: Contingent upon separate written approval from the current owner of the Property, SC St. Louis shall have the right to access the Property during the Option Period for the purposes of conducting the inspections, tests and studies set forth in this paragraph. Access shall be limited to reasonable times and shall require prior notice, and SC St. Louis shall take all the necessary EPA mandated precautions while conducting the tests and inspections, and ensure it does not materially interfere with the Commission's business. The LCRAHC shall not impede the investigation unreasonably. SC St. Louis shall indemnify and hold the LCRAHC harmless (which indemnity shall survive the Closing) from any loss, claim, liability or cost, including without limitation, damage to the Property, injury to persons, and claims of mechanic's or materialmen's liens, caused by SC St. Louis's entry and conduct of tests at the Property. Further, SC St. Louis shall be obligated to repair within the reasonable time specified in writing by the owner of the Property any damage caused to the Property during said investigation, unless the owner of the Property excuses the same in writing. SC St. Louis shall coordinate its inspections, tests, and studies with any tenant located on the Property.

(10) PROPERTY INFORMATION: Within ninety (90) days after the Effective Date of this Agreement, the LCRAHC shall provide to SC St. Louis any reports, studies, surveys, title and encumbrance information, geotechnical reports, and any and all other documents or reports related to the Property, if any, in the LCRAHC's possession. Thereafter, SC St. Louis shall have the further right to receive and utilize at no cost to SC St. Louis any additional reports, studies, surveys, title and encumbrance information, geotechnical reports, and all other documents or reports related to the Property obtained by the LCRAHC at any time during the Option Period.

(11) LCRAHC CONVEYANCE: Conveyance of the Property will be by quitclaim deed releasing any and all interest the LCRAHC has in the Property. The LCRAHC will not provide a commitment for title insurance or supplemental abstract. If SC St. Louis desires to obtain a commitment for title insurance or a supplemental abstract, and if in so doing SC St. Louis determines that the requirements for obtaining fee title are unsatisfactory, SC St. Louis shall have until the expiration of the Option Period in which to advise the LCRAHC in writing of the unsatisfactory requirements and void the contract.

(12) COOPERATION: The LCRAHC agrees to cooperate with SC St. Louis in requesting and obtaining any governmental licenses, approvals, zoning or land use



changes as may be requested by SC St. Louis, including access to the Property pursuant to Section 9 of this Agreement.

(13) CLOSING COSTS: Except as otherwise provided for herein, all closing costs shall be paid by SC St. Louis.

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(14) ENTIRE AGREEMENT, AMENDMENTS: This Agreement constitutes the entire agreement between the parties. Any change in this Agreement, whether by modification or supplementation, must be accompanied by a formal contract amendment signed and approved by the duly authorized representative of the parties.

(15) LCRAHC'S REPRESENTATIVE: \_\_\_\_\_ is designated as the LCRAHC's representative for the purpose of administering the provisions of this Agreement.

(16) LAW OF MISSOURI TO GOVERN: This Agreement shall be construed according to the laws of the State of Missouri. The parties shall comply with all local, state and federal laws and regulations relating to the performance of this Agreement.

(17) ASSIGNMENT: SC St. Louis may assign, transfer or delegate any interest in this Agreement to any party controlling, under common control with, or controlled by SC St. Louis without the prior written consent of the LCRAHC. SC St. Louis shall not otherwise assign any interest in this Agreement without the prior written consent of the LCRAHC.

(18) NONWAIVER: No delay or failure by either party to exercise or enforce any right hereunder, and no partial or single exercise of any such right, shall constitute a waiver of that or any other right, unless otherwise provided herein.

(19) NOTICE: All elections, notices and other communications to be given hereunder by either party to the other shall be in writing and sent by (a) personal delivery, (b) nationally recognized overnight carrier, or (c) certified or registered mail, receipt requested, postage prepaid, addressed,

If to the LCRAHC:

Land Clearance for Redevelopment Authority  
1520 Market Street, Suite 2000  
St. Louis, MO 63103  
Attn: Executive Director  
Phone: 314-657-3771  
Email: WilliamsoT@stlouis-mo.gov

If to SC St. Louis:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
With a copy to:

Husch Blackwell LLP  
190 Carondelet Plaza  
Suite 600  
Clayton, MO 63105  
Attn: Gregory Smith  
Phone: 314-480-1720  
Email: Gregory.Smith@huschblackwell.com

or at such other address as either party may designate to the other by written notice in the manner provided. Any such notices or election shall be effective (i) if sent by personal delivery, upon receipt, (ii) if sent by overnight courier, one (1) business day after delivery to such overnight courier, and (iii) if sent by U.S. Mail, two (2) business days after mailing without regard to actual receipt by the addressee.

(20) EXTENSION OF CLOSING DATE: If all parties are in agreement; the time period for closing this transaction can be extended by attaching an "Addendum" specifying a new date for closing.

(21) CANCELLATION: Either party may cancel this Agreement at any time for a material breach of contractual obligations by providing the other party with written notice of cancellation. Should either party exercise its right to cancel this Agreement for such reasons, cancellation will become effective upon the date specified in the notice of cancellation sent to the other party; Sections 7 and 9 of the Agreement to survive the cancellation or termination of the Agreement.

(22) VENUE: It is agreed by the parties that any action at law, suit in equity, or other judicial proceeding to enforce or construe this Agreement, or regarding its alleged breach, shall be instituted only in the Circuit Court of the City of St. Louis, Missouri.

(23) SOLE BENEFICIARY: This Agreement is made for the sole benefit of the parties hereto and nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the LCRAHC and SC St. Louis.

(24) SECTION HEADINGS: All section headings contained in this Agreement are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

(25) NO ADVERSE INFERENCE: This Agreement shall not be construed more strongly against one party or the other. The parties to this Agreement had equal access to, input with respect to, and influence over the provisions of this Agreement.

Accordingly, no rule of construction which requires that any allegedly ambiguous provision be interpreted more strongly against one party than the other shall be used in interpreting this Agreement.

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(26) VOLUNTARY NATURE OF AGREEMENT: Each party to this Agreement warrants and certifies that it enters into this transaction and executes this Agreement freely and voluntarily and without being in a state of duress or under threats or coercion.

(27) APPROVAL OF LCRAHC: This Agreement is subject to the approval of the LCRAHC and is not final until it has been approved by the LCRAHC at one of its meetings. The "Effective Date" shall mean the date that this Agreement is approved by the LCRAHC and executed by an authorized representative of the LCRAHC as shown below the signature of the authorized representative of the LCRAHC.

(28) AUTHORIZATION TO EXECUTE: SC St. Louis represents that it has duly authorized the execution of this Agreement.

[Remainder of page intentionally left blank. Signature page to follow]

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date last written below:

Executed by the LCRAHC \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Executed by SC St. Louis \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

LCRA HOLDINGS CORPORATION

By \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Title: \_\_\_\_\_

SC STL LLC

By \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_

Title: \_\_\_\_\_

ACKNOWLEDGEMENT BY  
SC ST. LOUIS

---

STATE OF MISSOURI                    )  
  )                   SS.  
COUNTY OF \_\_\_\_\_            )

On this \_\_\_\_\_ day of November, 2016, before me appeared \_\_\_\_\_, to me personally known, who being by me duly sworn did say that he/she is an authorized representative of SC STL LLC and that the foregoing instrument was signed and sealed on behalf of SC STL LLC and that he/she acknowledged said instrument to be the free act and deed of SC STL LLC and that it was executed for the consideration state therein and no other.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid the day and year first above written.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

ACKNOWLEDGEMENT BY LCRAHC

STATE OF MISSOURI                    )  
  )                   SS.  
CITY OF ST. LOUIS                    )

On this \_\_\_\_\_ day of November, 2016, before me appeared Otis Williams, to me personally known, who being by me duly sworn did say that he did have the power and authority to act on behalf of LCRA Holdings Corporation, and that said instrument was signed on behalf of such entity, and that he acknowledged said instrument to be the free act and deed of said entity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid the day and year first above written.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_



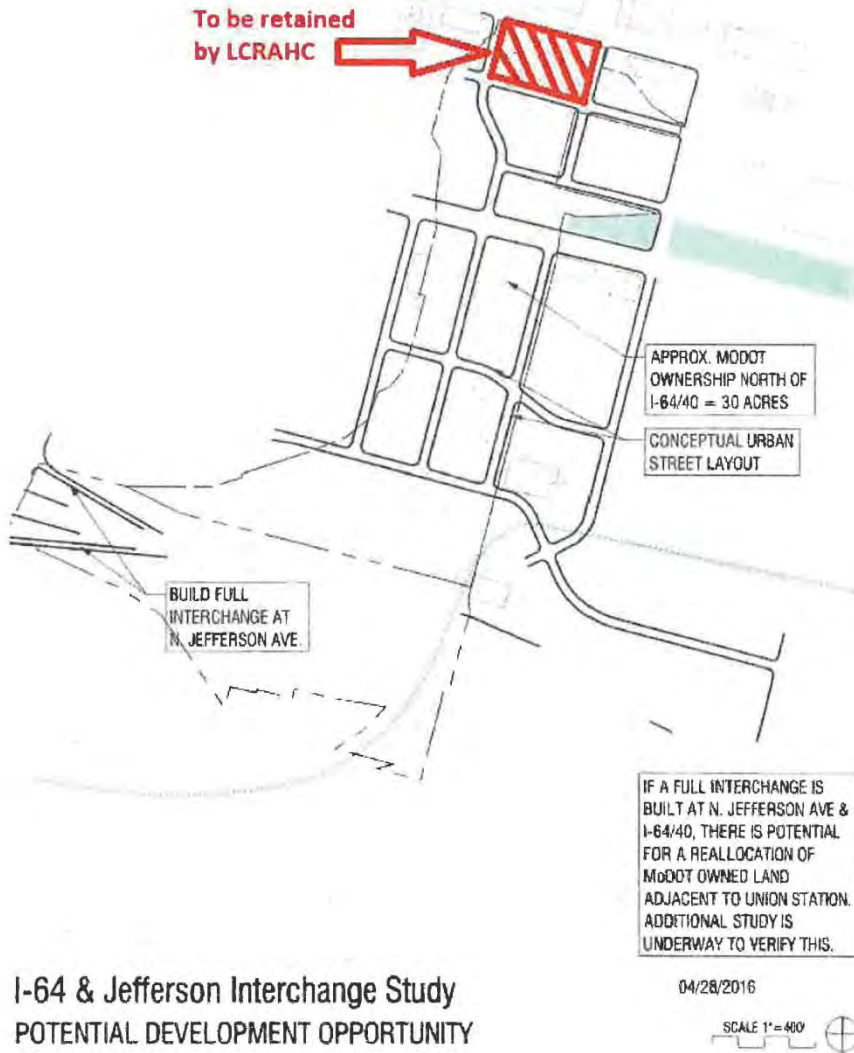
EXHIBIT A – Legal Description of Property  
(To be attached)

---

All that part of Commission's property located in City Blocks now or formerly known as 904, 905, 906, 911, 912, 913, 914, 915, 916, 1698, 1699, 1700, 1701, 1709, 1710 in the City of St. Louis bounded on the north by Olive Street, on the east by 20<sup>th</sup> and 21<sup>st</sup> Streets, on the south by Route I-64 and on the west by 22<sup>nd</sup> Street and Route I-64, as indicated in Exhibit B.

The exact legal description of the tract of land that is the subject of this Agreement shall be determined by a survey to be prepared by a licensed surveyor as further provided for in this Agreement, and shall appear in the quitclaim deed.

EXHIBIT B  
Parking Lot Property



I-64 & Jefferson Interchange Study  
POTENTIAL DEVELOPMENT OPPORTUNITY

**RESOLUTION NO. 16-LCRA-10148  
PRESENTED TO THE BOARD DECEMBER 13, 2016**

**TO:** LCRA BOARD OF COMMISSIONERS

**FROM:** OTIS WILLIAMS, EXECUTIVE DIRECTOR

**RE:** RESOLUTION AUTHORIZING AND RATIFYING ACTIONS RELATED TO PARTICIPATION IN THE MISSOURI DEVELOPMENT FINANCE BOARD'S TAX CREDIT FOR CONTRIBUTION PROGRAM PERTAINING TO A NEW MAJOR LEAGUE SOCCER STADIUM IN THE MILL CREEK REDEVELOPMENT AREA (ALDERWOMAN CHRISTINE INGRASSIA – 6<sup>th</sup> WARD)

---

**EXECUTIVE SUMMARY:**

This Resolution authorizes and ratifies activities related to contribution tax credits anticipated to be obtained from the Missouri Development Finance Board (MDFB) to support financing and construction of a Major League Soccer stadium.

---

**BACKGROUND:**

MDFB is authorized by Section 100.286 RSMo. to offer a tax credit equal to 50% of any funds contributed by any taxpayer. LCRA has submitted an application to MDFB to obtain funds for construction of new infrastructure, acquisition of real estate, and construction of a new Major League Soccer stadium ("Project").

The Project includes the planning, development, and construction of a state-of-the-art professional sports stadium suitable for professional soccer games, including a Major League Soccer franchise based in St. Louis, as well as other sports, entertainment, and tourism-related activities. The proposed stadium will feature approximately 20,000 seats, with the ability to expand to 28,500 seats. The Project will also include new public infrastructure such as improved streets and newly-built structured and surface parking facilities. For the planned location of the Project site, see Exhibit A (attached). The location is in LCRA's Mill Creek Redevelopment Area.

LCRA would seek an arrangement whereby MDFB accepts contributions from donors in a maximum aggregate amount of \$80,000,000.00, resulting in the potential issuance of Tax Credits in the maximum amount of \$40,000,000.00.

To the extent possible, credits would be approved immediately but not issued until 2017-2018 following satisfaction of a number of contingencies, including a vote of the public approving the City's participation in the financing of the Project, entering into a financing agreement detailing the same, and formal award of an MLS franchise.

MDFB would deposit the contributions into the MDFB's infrastructure development fund, and issue donors Tax Credits in an amount not to exceed the lesser of (i) 50% of the amount of such contribution, or (ii) the then current maximum amount authorized under the Tax Credit Statute. MDFB then would disburse the donations based on disbursement requests for work performed.

By this resolution, LCRA ratifies and authorizes all actions taken by its agents and representatives regarding the submission of an application for tax credits submitted to MDFB, and, if the application is successful, authorizes negotiation of an agreement between MDFB, any other proper parties, and LCRA.

---

**REQUESTED ACTION:**

Approval of this Resolution.

---

NOW, THEREFORE, be it resolved by the Board of Commissioners of the Land Clearance for Redevelopment Authority of the City of St. Louis as follows:

1. The Board of Commissioners of the Land Clearance for Redevelopment Authority of the City of St. Louis hereby ratifies actions taken by the Executive Director related to contribution tax credits to be awarded by Missouri Development Finance Board, and authorizes the negotiation of a tax credit agreement between LCRA, any other proper parties, and MDFB.
2. The Executive Director, his designee, and the appropriate officers, agents and employees of LCRA are hereby authorized to take all actions necessary to effectuate the intent of this Resolution.
3. This Resolution shall take effect and be in full force immediately after its passage and approval by the governing body of LCRA.

ADOPTED this 13<sup>th</sup> day of December 2016.



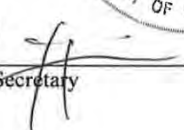
(SEAL)

LAND CLEARANCE FOR REDEVELOPMENT  
AUTHORITY OF THE CITY OF ST. LOUIS  
MISSOURI

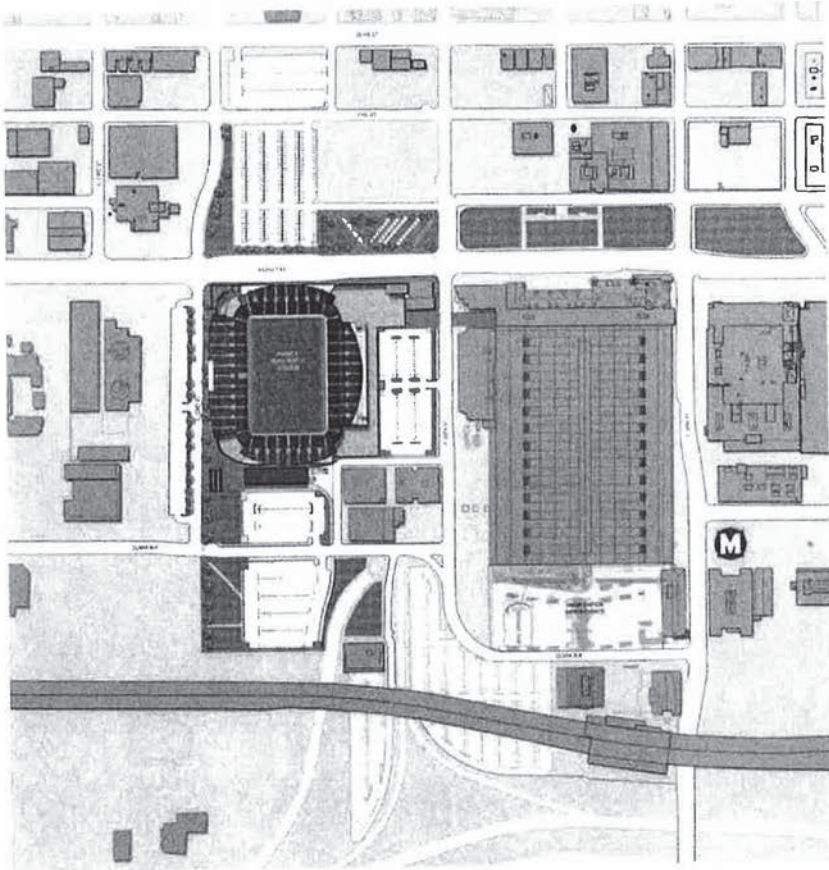
By: 

Title: Assistant Secretary

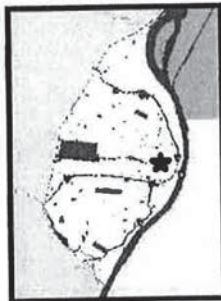
ATTEST:

  
Assistant Secretary

**EXHIBIT A**  
**Anticipated Project Site Location**



**Vicinity Map**



**Exhibit F**

To be supplemented



## Exhibit G

### Metro

[http://www.stltoday.com/news/local/metro/mls-president-sc-stl-is-the-only-contender-for-st/article\\_595c3886-7eea-5c63-bd10-e5fcbe2bb75b.html](http://www.stltoday.com/news/local/metro/mls-president-sc-stl-is-the-only-contender-for-st/article_595c3886-7eea-5c63-bd10-e5fcbe2bb75b.html)

#### **MLS president: SC STL is the 'only contender' for St. Louis team ownership**

By Mike Faulk St. Louis Post-Dispatch Nov 30, 2016



Mark Abbott, president and deputy commissioner of Major League Soccer. Photo provided by MLS.



Hopeful owners of a Major League Soccer team are proposing a \$200 million downtown stadium west of Union Station that could hold 20,000 people and open in 2020 or 2021. The renderings for the ownership group, SC STL, were done by HOK. (Image by HOK)

If a Major League Soccer team comes to St. Louis, the league has already decided who would own it, MLS President Mark Abbott said by phone Tuesday.

Abbott said SC STL, an ownership group led by investors tied to other sports teams including the Cardinals, Blues and the minor league soccer club St. Louis FC, is the "only contender" for team ownership.

His comments come less than a day after SC STL's competitor, Foundry St. Louis, announced a bid to pay \$80 million of SC STL's \$200 million downtown stadium proposal. Some see the offer as an attempt to stoke voter opposition to public funding for the stadium. SC STL has proposed putting a stadium tax on the April ballot that could pay for up to 40 percent of the stadium costs.

"We have worked with SC STL for over a year and we vet ownership groups very thoroughly," Abbott said. "We have great confidence in their commitment and the capacity they have to fulfill their obligations under what's required by the league."

Former Anheuser-Busch president and SC STL investor Dave Peacock helped bring MLS Commissioner Don Garber to St. Louis in May 2015. Garber met with potential investors as well as Gov. Jay Nixon and toured possible stadium sites.

Abbott said the league has had "general conversations" with Foundry St. Louis, but that organization led by former Express Scripts senior staff member Dan Cordes among about a dozen total investors, never provided specifics.

Foundry leaders "have been very general about ideas they have without any specifics or a plan or anything that really would give us confidence or belief it was something they could execute on or be successful with," Abbott said. "I contrast that with the very specific and extensive discussions over the course of the last year that we've been having with (SC STL chairman) Paul Edgerley and his group that have given us great confidence in their ability."

Edgerley, a Kansas City native, is a former executive at Bain Capital in Boston and minority owner of the Boston Celtics and AS Roma soccer team in Italy.

Responding to Abbott, Cordes said in an email that "Foundry St. Louis understands the direction that MLS prefers to take regarding ownership."

SC STL members have not responded to a reporter's request for comment on Foundry's proposal.



Cordes said: "We stand behind the (SC STL) plan and remain passionate about bringing an MLS team to St. Louis, but still wholeheartedly believe that St. Louis taxpayers should not be on the hook for a professional soccer team or stadium."

Foundry's investors include Dr. Rick Lehman, an area orthopedist who was formerly the team doctor for the St. Louis Blues and a part-owner of the Florida Panthers in the National Hockey League. Others in Foundry's group of lead investors haven't been publicly named.

Maggie Crane, spokeswoman for Mayor Francis Slay, said Slay supports the league's vote of confidence in SC STL and is negotiating with them on a stadium funding proposition. Crane said if Foundry wants to get involved in the stadium project the group would need to make its case to the league and present specifics on how it would work.

"If (Foundry) really legitimately have something to offer, I would hope they call the MLS just as SC STL has, develop those relationships and put forth a plan," Crane said. "At this point we're following the MLS. They've picked owners. They've made their choice."

Slay met Tuesday with SC STL vice chairman Jim Kavanaugh, Edgerley and Terry Matlack, another SC STL investor.



MayorSlay.com  
@MayorSlay

Follow

Great meeting with SC STL. Looking forward to the detailed proposal. #figs

4:52 PM - 29 Nov 2016

38 103

Kavanaugh, the founder of St. Louis FC, previously said if voters approve public funding in April, the city could have a soccer team playing in 2020 or 2021. Abbott would not comment on a time frame for league expansion, but said he hopes it can be announced soon.

Abbott said it's still possible SC STL would have to pay an expansion fee up to \$200 million. The league has yet to decide the fee for securing future teams, but Abbott previously said the amount could be that much.

The stadium would seat 22,000 and be designed for eventual expansion to 28,000.

The city would own the stadium under SC STL's proposal, on 24 acres just west of Union Station. The land is currently owned by the state Department of Transportation, but SC STL's attorneys at Husch Blackwell drafted an agreement giving the city an exclusive two-year option to buy the land.

It's not clear what other costs the city would incur annually from a stadium, such as operations and maintenance costs, nor what projected revenue would be.

"It's all part of negotiations," Crane said. "At the end of the day this is going to have to be something taxpayers would vote for."

Before proposing it join forces with SC STL, Foundry St. Louis was opposed to the downtown stadium location. Foundry favored a 13-acre site at the northwest corner of Grand Boulevard and Chouteau Avenue owned by St. Louis University. That idea now appears to have been shelved.

More information on MLS expansion is expected following either Garber's "State of the League" address Dec. 6 or the MLS Board of Governors meeting Dec. 15 in New York.

City, MLS need to consider offer from Foundry St. Louis

Mike Faulk

## Exhibit H

### STL MLS Model

Summary Projections (\$ in millions)

|  | FYE             |                 |                 |                 |                 |                 |                 |                 |                 |                 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|  | 2020            | 2021            | 2022            | 2023            | 2024            | 2025            | 2026            | 2027            | 2028            | 2029            |
| <b>KEY ASSUMPTIONS</b>                   |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Home Games                               | 17              | 17              | 17              | 17              | 17              | 17              | 17              | 17              | 17              | 17              |
| Exhibition Games                         | 3               | 3               | 3               | 3               | 3               | 3               | 3               | 3               | 3               | 3               |
| <b>SUMMARY FINANCIALS</b>                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Net Ticket Sales                         | \$10.2          | \$10.2          | \$11.2          | \$10.9          | \$11.8          | \$12.0          | \$15.0          | \$15.2          | \$16.1          | \$16.4          |
| Sponsorship Revenue (net of fulfillment) | 14.7            | 15.3            | 15.9            | 16.6            | 17.3            | 17.8            | 19.2            | 19.8            | 20.4            | 21.1            |
| Other Revenue                            | 6.9             | 7.0             | 7.4             | 7.2             | 7.6             | 4.9             | 5.6             | 5.7             | 6.0             | 6.1             |
| <b>Total Revenue</b>                     | <b>\$31.8</b>   | <b>\$32.5</b>   | <b>\$34.5</b>   | <b>\$34.7</b>   | <b>\$36.7</b>   | <b>\$34.7</b>   | <b>\$39.8</b>   | <b>\$40.8</b>   | <b>\$42.5</b>   | <b>\$43.6</b>   |
| Soccer Costs                             | (13.0)          | (13.3)          | (16.4)          | (17.3)          | (17.6)          | (18.1)          | (18.7)          | (19.1)          | (19.6)          | (20.1)          |
| Non-Soccer Costs                         | (11.3)          | (11.1)          | (11.4)          | (11.7)          | (12.1)          | (12.4)          | (12.8)          | (13.1)          | (13.5)          | (13.8)          |
| Depreciation & Amortization              | (20.3)          | (20.5)          | (23.5)          | (23.8)          | (28.6)          | (30.6)          | (30.9)          | (15.3)          | (15.4)          | (16.8)          |
| <b>Total Expenses</b>                    | <b>(\$44.6)</b> | <b>(\$44.9)</b> | <b>(\$51.4)</b> | <b>(\$52.8)</b> | <b>(\$58.3)</b> | <b>(\$61.1)</b> | <b>(\$62.4)</b> | <b>(\$47.6)</b> | <b>(\$48.5)</b> | <b>(\$50.7)</b> |
| <b>EBIT</b>                              | <b>(\$12.8)</b> | <b>(\$12.4)</b> | <b>(\$16.9)</b> | <b>(\$18.1)</b> | <b>(\$21.6)</b> | <b>(\$26.4)</b> | <b>(\$22.5)</b> | <b>(\$6.8)</b>  | <b>(\$6.0)</b>  | <b>(\$7.2)</b>  |
| Interest Expense                         | (5.2)           | (5.7)           | (5.5)           | (5.2)           | (4.9)           | (6.2)           | (5.9)           | (5.7)           | (5.5)           | (5.3)           |
| <b>Net Income</b>                        | <b>(\$18.1)</b> | <b>(\$18.1)</b> | <b>(\$22.4)</b> | <b>(\$23.3)</b> | <b>(\$26.6)</b> | <b>(\$32.6)</b> | <b>(\$28.5)</b> | <b>(\$12.5)</b> | <b>(\$11.5)</b> | <b>(\$12.6)</b> |

Note: Excludes maintenance and expansion capital expenditures, debt paydown and MLS capital call related to player costs.

### Updated Sources and Uses

| Cost Type  | Estimated Cost       |
|--|----------------------|
| <b>Stadium Design/Construction</b>                                     | <b>\$150,000,000</b> |
| <b>Stadium Site Work/Clearance/Parking</b>                             | <b>\$30,000,000</b>  |
| <b>Land Acquisition</b>  | <b>\$15,000,000</b>  |
| <b>MLS Expansion Fee</b>   | <b>\$150,000,000</b> |
| <b>Soft Costs (including team start-up costs, miscellaneous costs)</b> | <b>\$10,000,000</b>  |
| <b>Total Estimated Costs:</b>  | <b>\$355,000,000</b> |

| Source Type  | Estimated Source     |
|--|----------------------|
| <b>MLS Team Owner Group Private Equity/Debt</b>              | <b>\$230,000,000</b> |
| <b>MHTC Site Work</b>  | <b>\$9,000,000</b>   |
| <b>Proceeds From Sale of MDFB Tax Credits (\$40,000,000)</b> | <b>\$36,000,000</b>  |
| <b>City of St. Louis Funding Sources</b>                     | <b>\$80,000,000</b>  |
| <b>Total Estimated Sources:</b>                              | <b>\$355,000,000</b> |

## **Exhibit I**

### **MLS Team Expansion Fees**

| <b>Team</b>    | <b>Transaction Year</b> | <b>Expansion Fee</b> |
|----------------|-------------------------|----------------------|
| St. Louis      | 2020                    | \$150,000,000        |
| Minnesota      | 2015                    | \$100,000,000        |
| Los Angeles    | 2014                    | \$110,000,000        |
| Atlanta        | 2014                    | \$70,000,000         |
| Miami          | 2014                    | \$25,000,000         |
| Orlando        | 2013                    | \$70,000,000         |
| New York City  | 2013                    | \$100,000,000        |
| Montreal       | 2010                    | \$40,000,000         |
| Portland       | 2009                    | \$33,000,000         |
| Vancouver      | 2009                    | \$33,000,000         |
| Philadelphia   | 2008                    | \$30,000,000         |
| Seattle        | 2007                    | \$30,000,000         |
| San Jose       | 2006/2007               | \$20,000,000         |
| Toronto        | 2006                    | \$10,000,000         |
| Chivas USA     | 2004                    | \$13,500,000         |
| Real Salt Lake | 2004                    | \$13,500,000         |
| Miami          | 1997                    | \$20,000,000         |
| Chicago        | 1997                    | \$4,571,000          |

*Source: Barrett Sports Group, LLC.*



**Exhibit J**



**OFFICE OF THE MAYOR  
CITY OF ST. LOUIS  
MISSOURI**

**FRANCIS G. SLAY  
MAYOR**

**CITY HALL - ROOM 200  
1200 MARKET STREET  
SAINT LOUIS, MISSOURI 63103-2877  
(314) 622-3201  
FAX: (314) 622-4061**

December 15, 2016

Mr. Robert V. Miserez, Executive Director  
Missouri Development Finance Board  
200 Madison Street, Suite 1000  
Jefferson City, Missouri 65101-3254

Re: LCRA of the City of St. Louis Tax Credit for Contribution Application for a Major  
League Soccer Stadium

Dear Mr. Miserez:

The City of St. Louis has had a long and rich history with soccer and has a substantial soccer fan base. To capitalize on the opportunity to bring major league soccer to St. Louis, the City has been working with Dave Peacock and the soccer ownership group to move forward with plans for a soccer stadium project. Accordingly, the City would like to express its support of the LCRA Tax Credit Application for a Major League Soccer Stadium.

However, it is the City's commitment that the stadium project be placed before the voters, and will not proceed without a vote of the registered voters of the City of St. Louis. The City's support of the LCRA Tax Credit Application to MDFB for the stadium project is conditioned upon a favorable outcome of the vote.

Sincerely,

A handwritten signature in cursive script that reads "Francis G. Slay".

Francis G. Slay  
Mayor, City of St. Louis



**CHAIR:**  
MARIE J. CARMICHAEL

**MEMBERS:**  
REUBEN A. SHELTON  
JOHN E. MEHNER  
MATTHEW L. DAMERON  
KELLEY M. MARTIN  
PATRICK J. LAMPING  
BRADLEY G. GREGORY

**EXECUTIVE DIRECTOR:**  
ROBERT V. MISEREZ



**EX-OFFICIO MEMBERS:**  
PETER D. KINDER  
LIEUTENANT GOVERNOR  
  
MIKE DOWNING  
DIRECTOR,  
ECONOMIC DEVELOPMENT  
  
RICHARD FORDYCE  
DIRECTOR, AGRICULTURE  
  
HARRY D. BOZOIAN  
DIRECTOR,  
NATURAL RESOURCES

## MISSOURI DEVELOPMENT FINANCE BOARD

DATE: December 5, 2016

TO: Missouri Development Finance Board

FROM: Robert V. Miserez *RVM*

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

Attached is an application received December 1, 2016 from the Land Clearance for Redevelopment Authority of the City of St. Louis ("LCRA") requesting \$40 million in CY 2016 and 2017 contribution tax credits to assist in the acquisition of real estate and construction of new infrastructure and facilities related to the efforts by the City and private investors to obtain a professional, major league soccer franchise. Total estimated projects costs are \$405 million and briefly described in the Application.

The request is for \$5 million of the Board's annual \$10 million cap and the entire \$15 million discretionary cap above \$10 million in each of 2016 and 2017. The Board has \$5.7 million remaining from its 2016 \$10 million cap.

Included with the application is an economic and fiscal analysis prepared by Missouri Wonk. We have asked the LCRA to provide MERIC the underlying assumptions provided by the St. Louis Sports Commission, MLS, and any other assumptions used so MERIC can prepare a REMI analysis on its impact assessment to the State.

There are many questions regarding the application which will not be answered by Thursday. These include the proposal regarding structuring the contributions from the Applicant to us, the exact composition of the ownership group, how to quantify or assess the actual need for and sizing of the credit request, and impact to the State.

And, any subsequent approval of credits would be contingent on, among other things, passage of a local public vote approving local tax support for the project, approval of the City and this ownership group for a franchise, the franchise entering into a lease of at least 30 years with the LCRA or other local public entity that would hold title to the facility including the obligation to maintain the team and operations for this period, receipt of contributions, etc.

Please note the upcoming meeting is a preliminary presentation only by the LCRA and representatives of the prospective team ownership group. No action is to be taken.

RVM/vth

Attachment

December 1, 2016  
2:58 p.m.

Missouri Development Finance Board

**TAX CREDIT FOR CONTRIBUTION PROGRAM  
APPLICATION**

---

**NEW MAJOR LEAGUE SOCCER STADIUM  
IN  
ST. LOUIS, MISSOURI**

**Submitted by the Land Clearance for Redevelopment Authority of the City of St. Louis  
November 2016**



## 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 2016**

Total Estimated Project Budget/Cost: **\$405,000,000**

Total Amount of Proposed Contribution: **\$80,000,000**

Total Tax Credit Amount (50% of Contribution): **\$40,000,000 ( ½ in 2016; ½ in 2017)**

*Note: To the extent possible, credits would be approved immediately but not issued until 2017/2018 following satisfaction of those contingencies described in **Exhibit D** (attached), which include a vote of the public approving the City's participation in the financing of the Project, entering into a financing agreement detailing the same, and formal award of an MLS franchise.*

|          |   |            |              |           |       |
|----------|---|------------|--------------|-----------|-------|
| Name:    | Land Clearance Redevelopment Authority of the City of St. Louis |            |              |           |       |
| Address: | 1520 Market St., Suite 2000                                     |            |              |           |       |
| City:    | St. Louis   | County:    | N/A          | 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 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 other such 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 St., Suite 2000                       |            |                |                 |
| City:      | St. Louis   | County:    | N/A            | Zip Code: 63103 |
| Contact:   | Leslye Mitchell-Yancey                            | Telephone: | (314) 657-3728 |                 |
| Title:     | Associate 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: 79<sup>th</sup> Senate: 5<sup>th</sup>

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

5. Taxpayer Identification Number: \_\_\_\_\_

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:

**See Exhibit A (attached)**

Legal Description of Property:

**See Exhibit A (attached)**

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

Date: Early 2018

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

Date: March 2020

2. Project Costs:

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.

**See Exhibit B (attached)**



Description of Estimated Project Costs

|   | Non-<br>Contribution<br>Amount | Cost Financed<br>With<br>Contribution<br>Proceeds |
|---|--------------------------------|---|
| A. Acquisition of Land  | \$                             | \$  |
| Acquisition of Existing Buildings                                       | \$                             | \$  |
| B. Infrastructure Costs:  |                                |   |
| 1. Filling, grading and provision of drainage                           | \$                             | \$  |
| 2. Storm water retention  | \$                             | \$  |
| 3. Installation and extension of utilities (offsite):                   | \$                             | \$  |
| a. water  | \$                             | \$  |
| b. sewer  | \$                             | \$  |
| c. sewage treatment   | \$                             | \$  |
| d. gas  | \$                             | \$  |
| e. electricity  | \$                             | \$  |
| f. communications and similar facilities                                | \$                             | \$  |
| 4. Installation and extension of utilities (onsite):                    | \$                             | \$  |
| a. water  | \$                             | \$  |
| b. sewer  | \$                             | \$  |
| c. sewage treatment   | \$                             | \$  |
| d. gas  | \$                             | \$  |
| e. electricity  | \$                             | \$  |
| f. communications and similar facilities                                | \$                             | \$  |
| 5. Construction, Extension or Improvement of<br>Roads and/or Rail Lines | \$                             | \$  |
| 6. Extension of sidewalks and curbing                                   | \$                             | \$  |
| 7. Elimination of Blight (please describe)                              | \$                             | \$  |
| 8. Other (please describe)  | \$                             | \$  |
| C. Facility Construction Costs (exclude inventory and working capital): |                                |   |
| 1. Architectural and Engineering  | \$                             | \$  |
| 2. Site Preparation   | \$                             | \$  |
| 3. Materials  | \$                             | \$  |
| 4. Labor  | \$                             | \$  |
| 5. Construction Contracts   | \$                             | \$  |
| 6. Utilities Connection   | \$                             | \$  |
| 7. Paving and Landscaping   | \$                             | \$  |
| D. Renovation Costs   | \$                             | \$  |
| E. Machinery and Equipment  | \$                             | \$  |
| F. Furniture and Fixtures   | \$                             | \$  |
| G. Interest During Construction   |                                |   |
| From _____ To _____   | \$                             | \$  |
| H. Accounting, Legal, Miscellaneous                                     | \$                             | \$  |
| I. Contingency  | \$                             | \$  |
| TOTAL PROJECT COSTS   | \$                             | \$  |

Source of Funds:

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

**See Exhibit B (attached)**

| <u>Sources</u>                       | <u>Amount</u> |
|--------------------------------------|---------------|
| Contribution Proceeds                | \$ _____      |
| Applicant's Funds (Describe Sources) | \$ _____      |
| Federal Funds (Describe Sources)     | \$ _____      |
| State Funds (Describe Sources)       | \$ _____      |
| Private Funds (non-Contributions)    | \$ _____      |
| Other (Describe Sources)             | \$ _____      |
| TOTAL                                | \$ _____      |

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.

**See Exhibit B (attached)**

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, several parties own parcels within the Project area. The primary property owner for the Project site is currently the Missouri Highways and Transportation Commission.**

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

**The Project site is not currently owned by the Applicant. However, the Applicant is currently negotiating sale/option agreements with owners, including that certain Option Agreement dated as of September 1, 2016 between the Applicant and the Missouri Highways and Transportation Commission, and expects to have control over the entire Project area upon commencement of the Project.**

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:

**For further information about employment estimates, see Exhibit C (attached)**

New Full-Time and Part-Time Jobs     538 permanent jobs     Average Wage     TBD

Temporary Jobs     1,345     Average Wage     TBD

Jobs during Construction     1,345

Average Wage     TBD

Estimated length of Construction period: Two (2) years

**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/investor-relations/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).

**See Exhibit C (attached)**

**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.

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

**The necessary Contributions will consist of private cash contributions and/or contribution of real property from the Applicant. The Applicant has engaged individuals and/or organizations with experience in tax credit-based financing, including members of the Project working group with significant experience in the same, to structure all contributions for the Project in order to leverage the requested tax credits.**

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.

**Traditional fundraising is not anticipated for this Project. Required contributions of real property and/or cash will be made at such time as tax credit financing or MDFB requirements dictate.**

**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 E for such user of 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 1<sup>st</sup> day of DECEMBER, 20 16

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Otis Williams  
Otis Williams  
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.

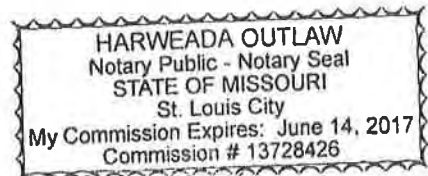
STATE OF MISSOURI

COUNTY/CITY OF St. Louis (SS)

On this 1<sup>st</sup> day of December, 20 16, 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

6/14/2017

**EXHIBIT A**  
**Anticipated Project Site Location**



**Vicinity Map**



## **EXHIBIT B**

### **Estimated Project Costs** **and** **Anticipated Financing Sources**

#### **ESTIMATED PROJECT COSTS:**

| <i>Cost Type</i>  | <i>Estimated Cost</i> |
|---|-----------------------|
| Stadium Design/Construction                                     | \$150,000,000         |
| Stadium Site Work/Clearance/Parking                             | \$30,000,000          |
| Land Acquisition  | \$15,000,000          |
| MLS Expansion Fee <sup>1</sup>                                  | \$200,000,000         |
| Soft Costs (including team start-up costs, miscellaneous costs) | \$10,000,000          |
| <i>Total Estimated Costs:</i>                                   | \$405,000,000         |

#### **ESTIMATED FINANCING SOURCES:**

|   |               |
|---|---------------|
| MLS Team Owner Group Private Equity/Debt <sup>1</sup> | \$280,000,000 |
| Proceeds From Sale of MDFB Tax Credits (\$40,000,000) | \$36,000,000  |
| MODOT Site Work <sup>2</sup>                          | \$9,000,000   |
| City of St. Louis Funding Sources <sup>3</sup>        | \$80,000,000  |
| <i>Total Estimated Sources:</i>                       | \$405,000,000 |

<sup>1</sup> The exact MLS expansion fee is currently confidential, but is estimated to be between \$150,000,000 and \$200,000,000. It will be paid exclusively from private sources.

<sup>2</sup> This will not be a direct financial payment, but is an estimate of the costs that will be required to prepare the land for development, which would occur prior to the contemplated land sale.

<sup>3</sup> Actual sources yet to be determined but any funding will be contingent on a public vote.

## **EXHIBIT C**

Cost-Benefit Analysis by Missouri Work (10/7/16)

**October 7, 2016**



## **MLS2STL – MISSOURI**

**ECONOMIC AND FISCAL ANALYSIS**

**BRIAN SCHMIDT**

**MISSOURI WONK**

**4240 Duncan Ave, Suite 200 St. Louis, MO 63110**





October 7, 2016

MLS2STL,

Missouri Wonk is happy to present the findings of the economic and fiscal analysis of the proposed Major League Soccer team and new stadium in St. Louis, Missouri.

The estimates and projections contained in this analysis are based on information provided by MLS2STL and the St. Louis Sports Commission. This analysis assumes that the information provided is accurate and correct. Additionally, actual results will differ from the estimates provided in the analysis, as activities associated with the project will change and underlying assumptions about the project and the economy will change during the course of the time period analyzed.

We appreciate the opportunity to provide this analysis and hope it serves as a resource in your efforts.

Sincerely,

Brian Schmidt  
Missouri Wonk

## Executive Summary

MLS2STL is pursuing the creation of a Major League Soccer (MLS) team and the construction of a stadium in the City of St. Louis that will be home to the MLS games. Between 2017 and 2049, the project will construct a stadium, operate the team and venue, and host sporting games and other events that will attract visitors from outside the City.

These activities will have a significant impact on the economy, creating an estimated 1,345 jobs during the course of the start-up and construction period and 538 permanent jobs from ongoing operations of the team and stadium. These economic activities will add more than \$677 million (net present value) in labor income and \$917 million (net present value) in value to the Missouri economy and will generate about \$45 million (net present value) in state taxes, about \$37.4 of which will be general revenue dollars.

## About the Project

MLS2STL engaged Missouri Wonk to do an economic impact and fiscal analysis of the creation of a Major League Soccer expansion team in St. Louis and the construction of a 20,000 seat soccer stadium at Union Station to host the team's games. The stadium will eventually expand to include seating for 26,000.

The expansion team and stadium will attract new visitors and activities to the St. Louis region through MLS games and other events that will be held at the stadium.

To conduct the analysis, Missouri Wonk relied on information supplied by MLS2STL and the St. Louis Sports Commission. This report focuses on the following activities that are expected to occur during the course of the project:

- Construction of the Stadium
- Team and Stadium Operations
- Ancillary Community Spending from Hosting MLS Games
- Hosting Other Events at the Stadium
- Hosting MLS All Star Games

The St. Louis Sports Commission supplied a list of events that may occur at the new stadium over a ten-year period, including NCAA games, Olympic matches and other special events. This list was accompanied by estimates of the percentage of non-local attendees, average ticket prices to the events and total estimated amounts spent by visitors.

Per information provided by MLS2STL, Missouri Wonk assumed the stadium would host a MLS All Star Game in years 2022 and 2044 and relied on estimates provided by the St. Louis Sports

Commission to calculate percentage of non-local attendees, average ticket prices and their estimated spending resulting from the event.

## Assumptions

Missouri Wonk relied on the following assumptions to conduct the economic and fiscal impact analysis:

- The timeframe of the analysis spans 33 years, from 2017 through 2049.
- The stadium and surrounding amenities will be constructed between 2017 and 2021, with preparation work primarily occurring in 2017 and actual construction occurring during years 2018 through 2021. For purposes of this analysis, 50% of the construction expenditures would be spent with construction firms in Missouri. Costs associated with land or financing costs are excluded from these estimates.
- Team and stadium operations will be entirely located within Missouri. Missouri Wonk conducted an analysis of the expected revenues and expenditures of the team, and analyzed revenue from ticket sales, sponsorships, and other sources and excluded revenues estimated to be derived from local sources as well as expenditures estimated to be spent outside of Missouri. The team will have a roster of 28 players, 25 of which will have salaries paid by MLS. The remaining three players will be paid by the team (as so-called designated players). Missouri Wonk assumed 90% of the team's MLS players will live and spend their incomes in Missouri.
- The stadium will host 20 MLS games per year: 17 regular season games and 3 exhibition games. Attendees residing outside of Missouri will purchase 30% of tickets sold to these events. Projecting the activity resulting from the MLS games, Missouri Wonk estimated:
  - Visitors from the metropolitan area will spend:
    - \$12 per person on dining and
    - \$15 per person on other activities (such as shopping or recreation and amusement activities) outside of the stadium; and
  - Overnight visitors will spend:
    - \$56 per person on dining and
    - \$65 per person on other activities outside the stadium.

Missouri Wonk assumed 7.5% of visitors to MLS games would stay at a hotel or other lodging facility (2.5 persons per room at an average price of \$112 per night).

- Over a 10-year period, the new stadium will host a total of 15 different types of events, attracting visitors to the City. These visitors will make expenditures at the stadium, at restaurants, at retail stores, at recreation and amusement venues, and at parking garages. The amount and type of spending differs based on the type of event held. The projected number of visitors, ticket prices and spending estimates for these events were

supplied by the St. Louis Sports Commission. Missouri Wonk assumed that spending estimates provided by the commission would be static over the ten-year period and would increase by 5% in each subsequent ten-year period. Missouri Wonk assumes these events would not be held in Missouri but for the construction of the stadium.

- In years 2022 and 2044, the stadium will host an MLS All Star Event. Ticket prices, length of event, and estimated spending on restaurants, lodging, retail, recreation and amusement activities and parking, as well as the number of visitors were supplied by the St. Louis Sports Commission.
- Missouri Wonk uses a 4% discount rate to calculate net present value of the impacts.

## Economic Impact

Using the data provided by MLS2STL and the St. Louis Sports Commission, and applying the assumptions previously described, Missouri Wonk developed estimates of the economic impact of the project for Missouri.

To develop the estimates, Missouri Wonk relied on IMPLAN's economic impact software and data. IMPLAN provides information the interrelationships between industries, employees, and households. The firm's products contain information on 440 sectors of the US economy, and uses data collected by federal government agencies to apply the information to specific geographic areas, including states and counties. IMPLAN provides an input-output model for analyzing changes to regional economies. When given a set of estimated changes in the economy, the software projects how those changes will affect the broader economy, providing estimates of new jobs, labor incomes (which include employment taxes and benefits), value added to the economy (similar to the national measure for GDP), and output (value added to the economy plus the cost of raw materials).

The analysis accounts for both leakage and displacement. Leakage is spending that occurs outside of Missouri, such as an industry that imports a business input from outside the state. Displacement is the concept that, in the absence of an event, money would have been spent on another activity within the regional economy. In this instance, a Missouri resident would likely find another way to spend income in Missouri if the project were to not occur.

Economic effects can be divided into three distinct categories:

- Direct Effects, which are the primary economic impacts of a project. These are the inputs to the economic impact model. This would include, for instance, the change in spending on a particular industry or the number of new jobs created in an industry;
- Indirect Effects, which are the impacts associated with the business-to-business transactions of the industry of interest that realizes the direct impacts. For instance, the

MLS team may hire a local firm to handle its marketing and social media, resulting in additional jobs for the region;

- Induced Effects, which are the spending of incomes by new employees in the local economy. When the industry realizing the direct effects hires new employees, those employees will spend their incomes in the region. The money cycles through the local economy as consumers spend their incomes. Eventually, the money leaks out of the region

When combined, these effects create the total effects of the project.

The following tables provide a summary of the economic impact of the project split into the five activities previously discussed and also the total effects of all activities, which combine the effects from the activities. When fully phased-in, the project is expected to result in a total of 1,345 one-time jobs from the start-up and construction period and 538 new permanent jobs from the team and stadium operations. Additionally, over the thirty-three-year period of the analysis, the project will add a net present value of more than \$677 million in labor income and \$917 million of value to Missouri's economy.

**Table 1: Start-Up & Construction Total Effects**

| <b>Year</b> | <b>Employment</b> | <b>Labor Income</b> | <b>Value Added</b> | <b>Output</b> |
|-------------|-------------------|---------------------|--------------------|---------------|
| <b>2017</b> | 37                | \$1,482,311         | \$2,484,464        | \$3,833,797   |
| <b>2018</b> | 232               | \$13,419,447        | \$18,696,798       | \$37,349,658  |
| <b>2019</b> | 745               | \$38,208,708        | \$51,367,061       | \$103,809,317 |
| <b>2020</b> | 289               | \$15,108,477        | \$20,668,594       | \$40,812,473  |
| <b>2021</b> | 42                | \$2,121,606         | \$2,850,539        | \$5,821,334   |

**Table 2: Stadium & Team Operations**

| <b>Year</b> | <b>Employment</b> | <b>Labor Income</b> | <b>Value Added</b> | <b>Output</b> |
|-------------|-------------------|---------------------|--------------------|---------------|
| <b>2017</b> |                   |                     |                    |               |
| <b>2018</b> |                   |                     |                    |               |
| <b>2019</b> |                   |                     |                    |               |
| <b>2020</b> | 179               | \$20,916,679        | \$27,652,163       | \$28,862,533  |
| <b>2021</b> | 180               | \$21,034,796        | \$27,808,575       | \$29,026,714  |
| <b>2022</b> | 174               | \$22,081,252        | \$28,535,872       | \$27,461,403  |
| <b>2023</b> | 166               | \$21,698,615        | \$27,847,525       | \$26,096,415  |
| <b>2024</b> | 177               | \$22,646,647        | \$29,215,406       | \$27,930,046  |
| <b>2025</b> | 179               | \$22,857,169        | \$29,499,048       | \$28,244,980  |
| <b>2026</b> | 196               | \$24,432,526        | \$31,749,377       | \$31,187,851  |
| <b>2027</b> | 196               | \$25,043,339        | \$32,543,112       | \$31,967,548  |
| <b>2028</b> | 196               | \$25,669,423        | \$33,356,690       | \$32,766,736  |
| <b>2029</b> | 196               | \$26,311,158        | \$34,190,607       | \$33,585,905  |
| <b>2030</b> | 196               | \$26,968,937        | \$35,045,372       | \$34,425,552  |
| <b>2031</b> | 216               | \$30,340,054        | \$39,426,044       | \$38,728,746  |
| <b>2032</b> | 216               | \$31,098,556        | \$40,411,695       | \$39,696,965  |
| <b>2033</b> | 216               | \$31,876,019        | \$41,421,987       | \$40,689,389  |
| <b>2034</b> | 216               | \$32,672,920        | \$42,457,537       | \$41,706,624  |
| <b>2035</b> | 216               | \$33,489,743        | \$43,518,975       | \$42,749,289  |
| <b>2036</b> | 216               | \$34,326,987        | \$44,606,950       | \$43,818,022  |
| <b>2037</b> | 216               | \$35,185,161        | \$45,722,123       | \$44,913,472  |
| <b>2038</b> | 216               | \$36,064,790        | \$46,865,176       | \$46,036,309  |
| <b>2039</b> | 216               | \$36,966,410        | \$48,036,806       | \$47,187,217  |
| <b>2040</b> | 216               | \$37,890,570        | \$49,237,726       | \$48,366,897  |
| <b>2041</b> | 216               | \$38,837,834        | \$50,468,669       | \$49,576,070  |
| <b>2042</b> | 216               | \$39,808,780        | \$51,730,386       | \$50,815,471  |
| <b>2043</b> | 216               | \$40,804,000        | \$53,023,645       | \$52,085,858  |
| <b>2044</b> | 216               | \$41,824,100        | \$54,349,237       | \$53,388,004  |
| <b>2045</b> | 216               | \$42,869,702        | \$55,707,967       | \$54,722,705  |
| <b>2046</b> | 216               | \$43,941,445        | \$57,100,667       | \$56,090,772  |
| <b>2047</b> | 216               | \$45,039,981        | \$58,528,183       | \$57,493,042  |
| <b>2048</b> | 216               | \$46,165,981        | \$59,991,388       | \$58,930,368  |
| <b>2049</b> | 216               | \$47,320,130        | \$61,491,173       | \$60,403,627  |



**Table 3: Ancillary Community Activity**

| <b>Year</b> | <b>Employment</b> | <b>Labor Income</b> | <b>Value Added</b> | <b>Output</b> |
|-------------|-------------------|---------------------|--------------------|---------------|
| <b>2017</b> |                   |                     |                    |               |
| <b>2018</b> |                   |                     |                    |               |
| <b>2019</b> |                   |                     |                    |               |
| <b>2020</b> | 134               | \$3,676,108         | \$5,578,245        | \$10,410,461  |
| <b>2021</b> | 148               | \$3,768,010         | \$5,717,701        | \$10,670,723  |
| <b>2022</b> | 148               | \$3,862,210         | \$5,860,643        | \$10,937,491  |
| <b>2023</b> | 136               | \$3,562,889         | \$5,406,443        | \$10,089,835  |
| <b>2024</b> | 136               | \$3,651,961         | \$5,541,604        | \$10,342,081  |
| <b>2025</b> | 136               | \$3,743,260         | \$5,680,144        | \$10,600,633  |
| <b>2026</b> | 153               | \$4,304,749         | \$6,532,166        | \$12,190,728  |
| <b>2027</b> | 153               | \$4,412,368         | \$6,695,470        | \$12,495,496  |
| <b>2028</b> | 153               | \$4,522,677         | \$6,862,857        | \$12,807,884  |
| <b>2029</b> | 153               | \$4,635,744         | \$7,034,429        | \$13,128,081  |
| <b>2030</b> | 153               | \$4,751,638         | \$7,210,289        | \$13,456,283  |
| <b>2031</b> | 176               | \$5,606,933         | \$8,508,141        | \$15,878,414  |
| <b>2032</b> | 176               | \$5,747,106         | \$8,720,845        | \$16,275,374  |
| <b>2033</b> | 176               | \$5,890,784         | \$8,938,866        | \$16,682,259  |
| <b>2034</b> | 176               | \$6,038,053         | \$9,162,338        | \$17,099,315  |
| <b>2035</b> | 176               | \$6,189,005         | \$9,391,396        | \$17,526,798  |
| <b>2036</b> | 176               | \$6,343,730         | \$9,626,181        | \$17,964,968  |
| <b>2037</b> | 176               | \$6,502,323         | \$9,866,835        | \$18,414,092  |
| <b>2038</b> | 176               | \$6,664,881         | \$10,113,506       | \$18,874,444  |
| <b>2039</b> | 176               | \$6,831,503         | \$10,366,344       | \$19,346,305  |
| <b>2040</b> | 176               | \$7,002,291         | \$10,625,503       | \$19,829,963  |
| <b>2041</b> | 176               | \$7,177,348         | \$10,891,140       | \$20,325,712  |
| <b>2042</b> | 176               | \$7,356,782         | \$11,163,419       | \$20,833,855  |
| <b>2043</b> | 176               | \$7,540,701         | \$11,442,504       | \$21,354,701  |
| <b>2044</b> | 176               | \$7,729,219         | \$11,728,567       | \$21,888,569  |
| <b>2045</b> | 176               | \$7,922,449         | \$12,021,781       | \$22,435,783  |
| <b>2046</b> | 176               | \$8,120,510         | \$12,322,325       | \$22,996,678  |
| <b>2047</b> | 176               | \$8,323,523         | \$12,630,384       | \$23,571,595  |
| <b>2048</b> | 176               | \$8,531,611         | \$12,946,143       | \$24,160,884  |
| <b>2049</b> | 176               | \$8,744,902         | \$13,269,797       | \$24,764,907  |

**Table 4: Economic Activity - Other Events**

| <b>Year</b> | <b>Employment</b> | <b>Labor Income</b> | <b>Value Added</b> | <b>Output</b> |
|-------------|-------------------|---------------------|--------------------|---------------|
| <b>2017</b> |                   |                     |                    |               |
| <b>2018</b> |                   |                     |                    |               |
| <b>2019</b> |                   |                     |                    |               |
| <b>2020</b> | 149               | \$4,009,065         | \$6,054,151        | \$11,238,032  |
| <b>2021</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2022</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2023</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2024</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2025</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2026</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2027</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2028</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2029</b> | 146               | \$3,980,297         | \$5,988,205        | \$11,193,362  |
| <b>2030</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2031</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2032</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2033</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2034</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2035</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2036</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2037</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2038</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2039</b> | 146               | \$4,179,312         | \$6,287,615        | \$11,753,030  |
| <b>2040</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2041</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2042</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2043</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2044</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2045</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2046</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2047</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2048</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |
| <b>2049</b> | 146               | \$4,388,278         | \$6,601,995        | \$12,340,681  |

**Table 5: MLS All Star Game**

| <b>Year</b> | <b>Employment</b> | <b>Labor Income</b> | <b>Value Added</b> | <b>Output</b> |
|-------------|-------------------|---------------------|--------------------|---------------|
| 2017        |                   |                     |                    |               |
| 2018        |                   |                     |                    |               |
| 2019        |                   |                     |                    |               |
| 2020        |                   |                     |                    |               |
| 2021        |                   |                     |                    |               |
| 2022        | 134               | \$3,979,214         | \$6,509,910        | \$11,861,150  |
| 2023        |                   |                     |                    |               |
| 2024        |                   |                     |                    |               |
| 2025        |                   |                     |                    |               |
| 2026        |                   |                     |                    |               |
| 2027        |                   |                     |                    |               |
| 2028        |                   |                     |                    |               |
| 2029        |                   |                     |                    |               |
| 2030        |                   |                     |                    |               |
| 2031        |                   |                     |                    |               |
| 2032        |                   |                     |                    |               |
| 2033        |                   |                     |                    |               |
| 2034        |                   |                     |                    |               |
| 2035        |                   |                     |                    |               |
| 2036        |                   |                     |                    |               |
| 2037        |                   |                     |                    |               |
| 2038        |                   |                     |                    |               |
| 2039        |                   |                     |                    |               |
| 2040        |                   |                     |                    |               |
| 2041        |                   |                     |                    |               |
| 2042        |                   |                     |                    |               |
| 2043        |                   |                     |                    |               |
| 2044        | 134               | \$4,387,083         | \$7,177,176        | \$13,076,918  |
| 2045        |                   |                     |                    |               |
| 2046        |                   |                     |                    |               |
| 2047        |                   |                     |                    |               |
| 2048        |                   |                     |                    |               |
| 2049        |                   |                     |                    |               |

**Table 6: Total - All Activities**

| <b>Year</b> | <b>Employment</b> | <b>Labor Income</b> | <b>Value Added</b> | <b>Output</b> |
|-------------|-------------------|---------------------|--------------------|---------------|
| <b>2017</b> | 37                | \$1,482,311         | \$2,484,464        | \$3,833,797   |
| <b>2018</b> | 232               | \$13,419,447        | \$18,696,798       | \$37,349,658  |
| <b>2019</b> | 745               | \$38,208,708        | \$51,367,061       | \$103,809,317 |
| <b>2020</b> | 752               | \$43,710,328        | \$59,953,153       | \$91,323,499  |
| <b>2021</b> | 516               | \$30,904,709        | \$42,365,020       | \$56,712,132  |
| <b>2022</b> | 602               | \$33,902,973        | \$46,894,630       | \$61,453,406  |
| <b>2023</b> | 449               | \$29,241,802        | \$39,242,173       | \$47,379,612  |
| <b>2024</b> | 459               | \$30,278,905        | \$40,745,215       | \$49,465,488  |
| <b>2025</b> | 461               | \$30,580,727        | \$41,167,397       | \$50,038,975  |
| <b>2026</b> | 496               | \$32,717,572        | \$44,269,748       | \$54,571,941  |
| <b>2027</b> | 496               | \$33,436,004        | \$45,226,787       | \$55,656,406  |
| <b>2028</b> | 496               | \$34,172,397        | \$46,207,751       | \$56,767,982  |
| <b>2029</b> | 496               | \$34,927,200        | \$47,213,240       | \$57,907,347  |
| <b>2030</b> | 496               | \$35,899,887        | \$48,543,276       | \$59,634,865  |
| <b>2031</b> | 538               | \$40,126,299        | \$54,221,800       | \$66,360,190  |
| <b>2032</b> | 538               | \$41,024,974        | \$55,420,154       | \$67,725,369  |
| <b>2033</b> | 538               | \$41,946,115        | \$56,648,468       | \$69,124,677  |
| <b>2034</b> | 538               | \$42,890,285        | \$57,907,489       | \$70,558,968  |
| <b>2035</b> | 538               | \$43,858,060        | \$59,197,986       | \$72,029,117  |
| <b>2036</b> | 538               | \$44,850,028        | \$60,520,745       | \$73,536,019  |
| <b>2037</b> | 538               | \$45,866,796        | \$61,876,573       | \$75,080,594  |
| <b>2038</b> | 538               | \$46,908,983        | \$63,266,297       | \$76,663,783  |
| <b>2039</b> | 538               | \$47,977,225        | \$64,690,764       | \$78,286,552  |
| <b>2040</b> | 538               | \$49,281,138        | \$66,465,224       | \$80,537,541  |
| <b>2041</b> | 538               | \$50,403,460        | \$67,961,805       | \$82,242,463  |
| <b>2042</b> | 538               | \$51,553,840        | \$69,495,800       | \$83,990,007  |
| <b>2043</b> | 538               | \$52,732,979        | \$71,068,145       | \$85,781,241  |
| <b>2044</b> | 673               | \$58,328,679        | \$79,856,975       | \$100,694,173 |
| <b>2045</b> | 538               | \$55,180,429        | \$74,331,744       | \$89,499,169  |
| <b>2046</b> | 538               | \$56,450,233        | \$76,024,988       | \$91,428,131  |
| <b>2047</b> | 538               | \$57,751,782        | \$77,760,562       | \$93,405,317  |
| <b>2048</b> | 538               | \$59,085,869        | \$79,539,527       | \$95,431,933  |
| <b>2049</b> | 538               | \$60,453,309        | \$81,362,965       | \$97,509,215  |

## Fiscal Benefits

These economic impacts will produce new tax revenues for Missouri.

Missouri Wonk identified the following taxes levied by Missouri, which are likely to generate revenue from the MLS team and stadium. Short descriptions of each of these taxes follow.

### Sales Tax

This is a tax on the sale of tangible personal property and taxable services. The total state sales tax rate is 4.225%. A breakdown of these purposes that comprise this tax is provided in Table 7 below.

**Table 7: State Sales Taxes**

| <b>Sales Tax Purpose</b> | <b>Sales Tax Rate</b> |
|--------------------------|-----------------------|
| General Revenue          | 3%                    |
| Education                | 1%                    |
| Parks and Soil           | 0.225%                |
| <b>Total</b>             | <b>4.225%</b>         |

### Income Tax

The state levies an income tax with a maximum rate of 6%. Missouri income taxes rely on federal income tax definitions for determining taxable income. The state also levies an athletes and entertainers tax on nonresident performances of athletes and entertainers. The tax is 2% on income earned the day of the performance.

The total estimated revenue from taxes by tax type and year is contained in Table 8. The total estimated revenue by purpose is contained in Table 9.

Over 33 years, Missouri is estimated to collect a net present value of \$44.8 million in state taxes. Of that amount, over \$37 million is expected to be general revenue dollars and over \$7 million is expected to be other revenue dollars.

**Table 8: Total Taxes Collected by Tax**

| <b>Year</b> | <b>GR Sales Tax</b> | <b>Education Sales Tax</b> | <b>Parks, Soil and<br/>Water Sales Tax</b> | <b>Income Tax</b> | <b>Total Tax</b> |
|-------------|---------------------|----------------------------|--|-------------------|------------------|
| <b>2017</b> | \$9,561             | \$3,187                    | \$717                                      | \$27,156          | \$40,621         |
| <b>2018</b> | \$70,724            | \$23,575                   | \$5,304                                    | \$322,067         | \$421,670        |
| <b>2019</b> | \$200,995           | \$66,998                   | \$15,075                                   | \$871,159         | \$1,154,227      |
| <b>2020</b> | \$892,024           | \$297,341                  | \$66,902                                   | \$1,143,658       | \$2,399,926      |
| <b>2021</b> | \$825,315           | \$275,105                  | \$61,899                                   | \$838,667         | \$2,000,985      |
| <b>2022</b> | \$1,322,937         | \$440,979                  | \$99,220                                   | \$902,605         | \$2,765,741      |
| <b>2023</b> | \$808,297           | \$269,432                  | \$60,622                                   | \$865,139         | \$2,003,491      |
| <b>2024</b> | \$835,321           | \$278,440                  | \$62,649                                   | \$893,503         | \$2,069,913      |
| <b>2025</b> | \$847,457           | \$282,486                  | \$63,559                                   | \$904,517         | \$2,098,018      |
| <b>2026</b> | \$940,958           | \$313,653                  | \$70,572                                   | \$961,273         | \$2,286,455      |
| <b>2027</b> | \$955,003           | \$318,334                  | \$71,625                                   | \$982,829         | \$2,327,791      |
| <b>2028</b> | \$977,613           | \$325,871                  | \$73,321                                   | \$1,004,924       | \$2,381,729      |
| <b>2029</b> | \$992,535           | \$330,845                  | \$74,440                                   | \$1,027,571       | \$2,425,391      |
| <b>2030</b> | \$1,030,096         | \$343,365                  | \$77,257                                   | \$1,055,736       | \$2,506,455      |
| <b>2031</b> | \$1,142,219         | \$380,740                  | \$85,666                                   | \$1,164,953       | \$2,773,579      |
| <b>2032</b> | \$1,170,589         | \$390,196                  | \$87,794                                   | \$1,191,478       | \$2,840,057      |
| <b>2033</b> | \$1,189,521         | \$396,507                  | \$89,214                                   | \$1,218,665       | \$2,893,907      |
| <b>2034</b> | \$1,219,478         | \$406,493                  | \$91,461                                   | \$1,246,532       | \$2,963,963      |
| <b>2035</b> | \$1,239,619         | \$413,206                  | \$92,971                                   | \$1,275,096       | \$3,020,893      |
| <b>2036</b> | \$1,271,269         | \$423,756                  | \$95,345                                   | \$1,304,374       | \$3,094,744      |
| <b>2037</b> | \$1,292,707         | \$430,902                  | \$96,953                                   | \$1,334,383       | \$3,154,946      |
| <b>2038</b> | \$1,326,163         | \$442,054                  | \$99,462                                   | \$1,365,144       | \$3,232,824      |
| <b>2039</b> | \$1,348,995         | \$449,665                  | \$101,175                                  | \$1,396,673       | \$3,296,507      |
| <b>2040</b> | \$1,397,721         | \$465,907                  | \$104,829                                  | \$1,434,189       | \$3,402,646      |
| <b>2041</b> | \$1,420,933         | \$473,644                  | \$106,570                                  | \$1,467,314       | \$3,468,461      |
| <b>2042</b> | \$1,455,588         | \$485,196                  | \$109,169                                  | \$1,501,267       | \$3,551,220      |
| <b>2043</b> | \$1,481,915         | \$493,972                  | \$111,144                                  | \$1,536,070       | \$3,623,100      |
| <b>2044</b> | \$2,077,925         | \$692,642                  | \$155,844                                  | \$1,680,893       | \$4,607,303      |
| <b>2045</b> | \$1,544,974         | \$514,991                  | \$115,873                                  | \$1,608,306       | \$3,784,144      |
| <b>2046</b> | \$1,585,567         | \$528,522                  | \$118,918                                  | \$1,645,784       | \$3,878,792      |
| <b>2047</b> | \$1,613,616         | \$537,872                  | \$121,021                                  | \$1,684,199       | \$3,956,709      |
| <b>2048</b> | \$1,654,978         | \$551,659                  | \$124,123                                  | \$1,723,575       | \$4,054,335      |
| <b>2049</b> | \$1,686,512         | \$562,171                  | \$126,488                                  | \$1,763,934       | \$4,139,105      |



**Table 9: Total Taxes Collected by Fund**

| <b>Year</b> | <b>Total GR Tax</b> | <b>Total Other Tax</b> | <b>Total Tax</b> |
|-------------|---------------------|------------------------|------------------|
| <b>2017</b> | \$36,717            | \$3,904                | \$40,621         |
| <b>2018</b> | \$392,791           | \$28,879               | \$421,670        |
| <b>2019</b> | \$1,072,154         | \$82,073               | \$1,154,227      |
| <b>2020</b> | \$2,035,683         | \$364,243              | \$2,399,926      |
| <b>2021</b> | \$1,663,982         | \$337,004              | \$2,000,985      |
| <b>2022</b> | \$2,225,542         | \$540,199              | \$2,765,741      |
| <b>2023</b> | \$1,673,436         | \$330,055              | \$2,003,491      |
| <b>2024</b> | \$1,728,824         | \$341,089              | \$2,069,913      |
| <b>2025</b> | \$1,751,973         | \$346,045              | \$2,098,018      |
| <b>2026</b> | \$1,902,231         | \$384,224              | \$2,286,455      |
| <b>2027</b> | \$1,937,832         | \$389,960              | \$2,327,791      |
| <b>2028</b> | \$1,982,537         | \$399,192              | \$2,381,729      |
| <b>2029</b> | \$2,020,106         | \$405,285              | \$2,425,391      |
| <b>2030</b> | \$2,085,833         | \$420,623              | \$2,506,455      |
| <b>2031</b> | \$2,307,172         | \$466,406              | \$2,773,579      |
| <b>2032</b> | \$2,362,066         | \$477,990              | \$2,840,057      |
| <b>2033</b> | \$2,408,186         | \$485,721              | \$2,893,907      |
| <b>2034</b> | \$2,466,010         | \$497,953              | \$2,963,963      |
| <b>2035</b> | \$2,514,715         | \$506,178              | \$3,020,893      |
| <b>2036</b> | \$2,575,642         | \$519,101              | \$3,094,744      |
| <b>2037</b> | \$2,627,091         | \$527,855              | \$3,154,946      |
| <b>2038</b> | \$2,691,307         | \$541,517              | \$3,232,824      |
| <b>2039</b> | \$2,745,667         | \$550,840              | \$3,296,507      |
| <b>2040</b> | \$2,831,910         | \$570,736              | \$3,402,646      |
| <b>2041</b> | \$2,888,247         | \$580,214              | \$3,468,461      |
| <b>2042</b> | \$2,956,855         | \$594,365              | \$3,551,220      |
| <b>2043</b> | \$3,017,985         | \$605,115              | \$3,623,100      |
| <b>2044</b> | \$3,758,817         | \$848,486              | \$4,607,303      |
| <b>2045</b> | \$3,153,280         | \$630,864              | \$3,784,144      |
| <b>2046</b> | \$3,231,352         | \$647,440              | \$3,878,792      |
| <b>2047</b> | \$3,297,815         | \$658,893              | \$3,956,709      |
| <b>2048</b> | \$3,378,552         | \$675,783              | \$4,054,335      |
| <b>2049</b> | \$3,450,446         | \$688,659              | \$4,139,105      |

## **EXHIBIT D**

### **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 includes the planning, development, and construction of a state-of-the-art professional sports stadium suitable for professional soccer games, including a Major League Soccer franchise based in St. Louis, as well as other sports, entertainment, and tourism-related activities. The proposed stadium will feature approximately 20,000 seats, with the ability to expand to 28,500 seats. The Project will also include new public infrastructure such as improved streets and newly-built structured and surface parking facilities. For the planned location of the Project site, see Exhibit A (attached).

2. Describe the public policy objective(s) that will be supported by the Project.

The Project is required to facilitate the acquisition of a Major League Soccer franchise. Major League Soccer officials have unequivocally stated that a soccer-specific stadium located in an urban city center is a necessity for any city seeking to acquire a Major League Soccer expansion team. MLS Commissioner Don Garber has confirmed the league's strong interest in expanding in the St. Louis market and has described the Project site as "the ideal location for a new stadium."

The recent loss of a local NFL franchise has resulted in the loss of millions of dollars in yearly tax revenue for the State and the St. Louis region. Acquisition of an MLS franchise will help to offset some of these losses. The Project will also promote and enhance economic development in the State and the St. Louis region in multiple respects. Construction of the new stadium and the other planned aspects of the Project will generate new construction and bring hundreds of construction-related jobs in the St. Louis region. The acquisition of an MLS franchise will stimulate and energize the region's corporate base, particularly in a State and city with such a rich and enduring soccer tradition. Because St. Louis serves as an important center of commerce, population, and revenue for the State, any business and economic benefits to the St. Louis region will inure to the entire State.

Additionally, the Project will promote and increase tourism to the State and the St. Louis area. A St. Louis-based MLS franchise will enjoy ready-made rivalries with MLS teams in Kansas City, Chicago, and other Midwestern cities, attracting visitors from both other parts of the country and other parts of the State to the greater St. Louis region's hotels, restaurants, and retail establishments.

The Project also provides the St. Louis region an unprecedented opportunity for development of youth soccer. Part of the Project start-up costs include acquisition of the Saint Louis FC team, Gallagher youth soccer club and St. Louis Soccer Park assets to align these entities under the MLS team to create a player development pipeline of local players. A foundation will also be funded to fund youth soccer programs in St. Louis with specific emphasis on developing and coaching players from underprivileged communities in the region.

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

The Project will be owned by the Applicant and ground leased to an MLS Ownership Group (the "Owner Group"). The Owner Group will construct the Project and be the primary operator and user of the completed facility.

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 Major League Soccer franchise, 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 a Major League Soccer franchise by the Owner Group 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 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 the thousands of Major League Soccer 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 that may be 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 1,345 jobs during the course of the start-up and construction period and 538 permanent jobs from ongoing operations of the team and stadium. These economic activities will add more than \$677 million (net present value) in labor income and \$917 million (net present value) in value to the Missouri economy and will generate about \$45 million (net present value) in state taxes, about \$37.4 of which will be general revenue dollars. 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.

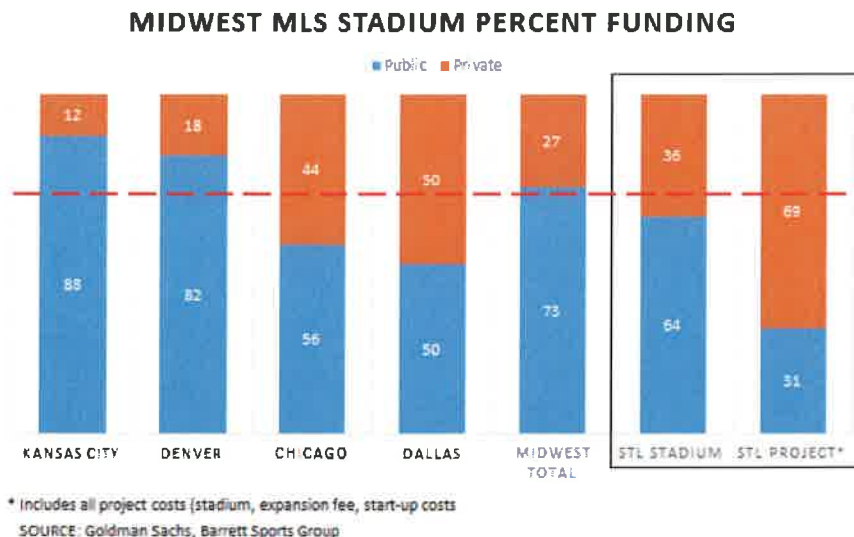
5. Explain the non-economic benefits this project will have on the community and state.

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 franchise, which plays in Kansas). The recent loss of the St. Louis NFL franchise has resulted in a reduction of tax revenues for the St. Louis region and the State, but a new MLS franchise is likely to regenerate a portion of those lost revenues. This Project and attendant acquisition of an MLS franchise would 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, Scottrade Center, Peabody Opera House, St. Louis Union Station (currently being reimagined and renovated to include mixed-use and an aquarium), and the Project.

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

The Applicant anticipates financial support from the City of St. Louis in the amount shown in **Exhibit B** (attached) in addition to the participation of MDFB contemplated by this Application. The Owner Group 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. 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 72% of their project costs. Kansas City alone received approximately 88% public funding.



In fact, even with the proposed public financing commitments contemplated for this Project, the *private* contribution to the Project will be the 7th largest ever for an MLS stadium, even though St. Louis will be the 18th largest MLS market by population. Factoring in the potential expansion fee shown on **Exhibit B**, even at the bottom of the expected range, the total private contributions to the Project will be the 3<sup>rd</sup> largest among current MLS teams and facilities.

The public financing commitments of the State the City of St. Louis will also be dependent on the satisfaction of a number of contingencies. The Owner Group will commit to a significant economic investment expected to span a lease term of 30 or more years for use of the Project. The public funding components for the Project will be publicly owned, but cost overruns will be covered privately and the vast majority of maintenance will be privately funded. Additionally, the City's participation in the financing of the Project is expected to be subject to a public vote. There will also need to be a financing agreement entered into by the City of St. Louis, the Applicant and the Owner Group detailing the terms of public financing of the Project. Major League Soccer must also formally award a franchise to the Owner Group. Upon voter approval of the City's financial participation, a financing agreement detailing the same, awarding of the MLS franchise and satisfaction of other contingencies, the Applicant and the Owner Group expects to confirm final financing terms and determine the exact amount of local governmental financial support.

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

As discussed elsewhere, the exact amounts of cash and or property to be contributed for the Project are being derived from discussions with financial experts and representatives of the State.

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 contribution of real property from the Applicant. The Applicant has engaged individuals and/or organizations with experience in tax credit-based financing, including members of the Project working group with significant experience in the same, to structure all contributions for the Project in order to leverage the requested tax credits. The Applicant also has a history of successful partnerships with MDFB on projects such as Busch Stadium the St. Louis Convention Hotel.

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

Once in operation, the new stadium is expected to generate recurring revenue from rents and "user fees" paid by an MLS team and other users of the facility, but the facility is projected to operate at a negative net income through the first twelve years of the Project. The Owner Group does not expect to see positive cash flow until year nine. This is not uncommon among Major League Soccer franchises. According to Forbes, more than half of MLS teams make \$1,000,000 or less per year in operating income.<sup>4</sup> The initial financial sustainability of the Project is therefore

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<sup>4</sup> See Forbes.com, *Major League Soccer's Most Valuable Teams 2016: New York, Orlando Thrive In First Seasons*, September 7, 2016, available at: <http://www.forbes.com/sites/chris-smith/2016/09/07/major-league-soccer-s-most-valuable-teams-2016-new-york-orlando-thrive-in-first-seasons>

dependent on public investment and the leveraging of the significant resources of an Owner Group eager to make this long term financial investment in this Project, the State and the St. Louis region.



# ST. LOUIS MAJOR LEAGUE SOCCER STADIUM PROJECT



Presented to the Missouri Development Finance Board  
December 8, 2016

## PROJECT PARTICIPANTS

- **APPLICANT - Land Clearance Redevelopment Authority of the City of St. Louis (“LCRA”)**
  - LCRA will own land and facility
  - Construction of Project will be pursuant to a financing and construction agreement between the City of St. Louis, the LCRA and the Owner Group
- **USER – SC STL LLC (“Owner Group”)**
  - Organizational documents still being finalized
  - Expected to contribute land and cash to MDFB to leverage tax credits
  - Responsible for construction (and cost overruns), operating costs and ongoing maintenance

## PROJECT OVERVIEW

- State-of-the-art multi-purpose stadium suitable for professional soccer games, as well as amateur sports, concerts and community events
- Will host a wide variety of other sports, entertainment, and tourism-related activities
- Approximately 20,000 seats, with the ability to expand to 28,500 seats
- New public infrastructure such as improved streets and newly-built parking facilities
- Public/Private Partnership designed to leverage significant private investment in regional asset

## PROJECT OVERVIEW

- Strong history of soccer in St. Louis
- Major League Soccer (“MLS”) eager to have local rival for established KC and Chicago teams
- Return St. Louis to 3 major professional sports franchises
- Reinforce St. Louis as a national destination for Sports, Entertainment, and Culture
  - Important Tourism Revenue to State, City, County
  - One mile stretch will include:
    - Gateway Arch
    - Kiener Plaza
    - Busch Stadium/Ballpark Village
    - Scottrade Center/Peabody Opera House
    - St. Louis Union Station
    - New MLS Stadium

## PROJECT OVERVIEW

- Project is expected to generate:
  - 1,345 start-up and construction jobs
  - 538 permanent jobs from team/stadium operations
  - Over \$677 million (net present value) in labor income and \$917 million (net present value) in value to State economy
  - Estimated \$45 million (net present value) in state taxes, about \$37.4 million of which will be general revenue

*Cost-Benefit Analysis by Missouri Wonk (10/7/16)*

## PROJECT OVERVIEW SITE PLAN



## PROJECT OVERVIEW STADIUM DEPICTIONS



## PROJECT OVERVIEW STADIUM DEPICTIONS





# PROJECT OVERVIEW

## STADIUM DEPICTIONS



## PUBLIC/PRIVATE PARTNERSHIP SOURCES AND USES

| Cost Type   | Estimated Cost       |
|---|----------------------|
| Stadium Design/Construction                                     | \$150,000,000        |
| Stadium Site Work/Clearance/Parking                             | \$30,000,000         |
| Land Acquisition  | \$15,000,000         |
| MLS Expansion Fee   | \$200,000,000*       |
| Soft Costs (including team start-up costs, miscellaneous costs) | \$10,000,000         |
| <b>Total Estimated Costs:</b>                                   | <b>\$405,000,000</b> |

| Source Type   | Estimated Source     |
|---|----------------------|
| MLS Team Owner Group Private Equity/Debt              | \$280,000,000        |
| MHTC Site Work  | \$9,000,000          |
| Proceeds From Sale of MDFB Tax Credits (\$40,000,000) | \$36,000,000         |
| City of St. Louis Funding Sources                     | \$80,000,000         |
| <b>Total Estimated Sources:</b>                       | <b>\$405,000,000</b> |

PUBLIC FUNDING  
SOURCES

\* Expansion Fee expected to be between \$150-\$200 million

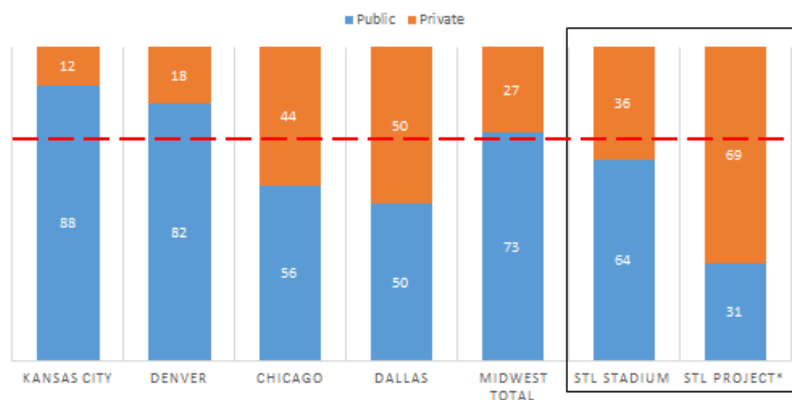
## PUBLIC/PRIVATE PARTNERSHIP PRIVATE FUNDING OVERVIEW

- Total private funds = \$280,000,000
  - 70% of total Project costs
  - 3<sup>rd</sup> largest
- Project is expected to operate at a negative net income through the first twelve (12) years of the Project.
- Owner Group does not expect to see positive cash flow until year nine (9) of the Project.
- More than half of MLS teams make \$1,000,000 or less per year in operating income

See Forbes.com, *Major League Soccer's Most Valuable Teams 2016: New York, Orlando Thrive In First Seasons*, September 7, 2016, available at: <http://www.forbes.com/sites/chris-smith/2016/09/07/major-league-soccer's-most-valuable-teams-2016-new-york-orlando-thrive-in-first-seasons>

## PUBLIC/PRIVATE PARTNERSHIP PRIVATE FUNDING OVERVIEW

MIDWEST MLS STADIUM PERCENT FUNDING



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



## PUBLIC/PRIVATE PARTNERSHIP PUBLIC FUNDING OVERVIEW

- Total
- Total public funds (State and local) = \$125,000,000
  - Site Work - \$9,000,000
  - Proceeds from Sale of MDFB Credits - \$36,000,000
  - City of St. Louis Funding - \$80,000,000
- Public funds represent approx. 31% of total costs
- Four MLS stadiums in closest proximity to St. Louis (Denver, Dallas, Chicago and Kansas City) received public funding for an average of over 72% of their project costs.
- Kansas City received approximately 88% public funding

## PUBLIC/PRIVATE PARTNERSHIP MHTC PARTICIPATION

- Missouri Highways and Transportation Commission currently owns the majority of the site
- Two (2) Option Agreements
  - Option Agreement 1 – MHTC grants option to City LCRA Holding Company to purchase site
  - Option Agreement 2 – LCRA Holding Company grants option to Owner Group to purchase site
- Anticipated State demolition and site preparation prior to sale (value of \$9,000,000)

## PUBLIC/PRIVATE PARTNERSHIP CITY PARTICIPATION

- Owner Group is in negotiations with City to commit to new tax revenues sufficient to support bond issuance generating \$80,000,000 in proceeds
- Source of new tax revenues to be utilized by City to be determined – expected to require public vote

## PUBLIC/PRIVATE PARTNERSHIP MDFB PARTICIPATION

- Total Estimated Project Budget/Cost: \$405,000,000
- Total Amount of Proposed Contribution: \$80,000,000
  - \$80,000,000 contribution to MDFB Fund expected to be made in cash or land
  - Exact mix of cash and/or land is yet to be determined
- Total Tax Credit Request: \$40,000,000
- Awarded over two (2) years
- MDFB award will be expressly contingent on a number of terms and contingencies...

## TERMS AND CONTINGENCIES

- Owner Group provides long term commitment to Project and enters into lease of stadium for at least 30 years
- Project will be publicly owned, but cost overruns will be covered privately
- Maintenance and operating costs will be privately funded
- City's participation in the financing of the Project is expected to be subject to a public vote
- Financing and construction agreement governing construction, terms of financing, workforce inclusion requirements, etc.
- MLS must also formally award a franchise to Owner Group

## QUESTIONS/DISCUSSION

