

A RESOLUTION OF THE EUCLID SOUTH COMMUNITY IMPROVEMENT DISTRICT PROVIDING FOR THE IMPOSITION IN THE DISTRICT OF A ONE PERCENT SALES AND USE TAX, SUBJECT TO VOTER APPROVAL; PROVIDING FOR THE SUBMITTAL OF THE PROPOSED TAX TO THE QUALIFIED VOTERS OF THE DISTRICT; AND AUTHORIZING AND DIRECTING RELATED ACTIONS.

WHEREAS, following receipt of a proper petition (the "Petition") submitted to the City of St. Louis, Missouri (the "City") pursuant to the Community Improvement District Act, Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), and conclusion of a duly noticed public hearing, the Euclid South Community Improvement District (the "District") was formed by the Board of Alderman of the City by Ordinance as a political subdivision; and

WHEREAS, Section 67.1545.1 of the CID Act authorizes any community improvement district which is formed as a political subdivision to impose, by resolution of its board of directors, a district sales and use tax on all retail sales made in such district which are subject to taxation pursuant to sections 144.010 to 144.525 of the Revised Statutes of Missouri, as amended, with certain exceptions set forth in the CID Act, at the rate of up to one percent (1%), subject to the prior approval of the majority of the votes cast by the qualified voters of the District; and

WHEREAS, pursuant to Section 67.1401.2(14)(b) of the CID Act, the "qualified voters" of the District, if no "registered voters" reside therein, is defined as the owners of one or more parcels of real property located within the district per the tax records for real property of the County Clerk as of the thirtieth (30th) day prior to the date of the applicable election (the "Qualified Voters"); and

WHEREAS, the Board of Directors of the District (the "Board") has concluded that it is necessary and desirable to impose a one percent (1%) sales and use tax for the purpose of providing revenues to pay for and finance certain services and improvements within the District as set forth in the Petition; and

WHEREAS, the Board has concluded that it is necessary and desirable to submit to the Qualified Voters of the District a proposal to authorize imposition of the one percent (1%) sales and use tax in accordance with the CID Act; and

WHEREAS, at a duly noticed meeting of the Board, at which was present a quorum of the directors, the Board took the action further described herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EUCLID SOUTH COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:

1. Sales Tax. Subject to the approval of a majority of the votes cast by the Qualified Voters of the District voting thereon by mail-in ballot in accordance with Section 67.1545.1 of the CID Act, there is hereby imposed a one percent

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(1%) sales and use tax on all retail sales within the District which are subject to taxation under the provisions of Sections 144.010 to 144.525 of the Revised Statutes of Missouri, as amended, with certain exceptions set forth in the CID Act (the "CID Sales Tax"), for a period beginning the first day of the second calendar quarter after the Director of the Missouri Department of Revenue receives notice of the adoption of the sales and use tax, such beginning date expected to be January 1, 2015, and ending twenty (20) years from the effective date of the CID Sales Tax, such expiration date expected to be December 31, 2034. The tax imposed hereunder shall be in addition to any and all other sales taxes allowed by law.

2. Trust Fund. There is hereby established in the treasury of the District a special trust fund designated as The Euclid South Community Improvement District Sales Tax Trust Fund (the "CID Fund"), into which shall be deposited all revenues received by the District from the CID Sales Tax authorized pursuant to the provisions of section 67.1545.8 of the CID Act and this Resolution.
3. Sales Tax Ballot. Promptly after adoption of this Resolution, the Secretary of the Board, or her designee, is hereby authorized to submit or cause to be submitted to the Qualified Voters by mail-in ballot, a proposal to authorize the CID Sales Tax in substantially the form as the ballot attached hereto as Exhibit A (the "Official Ballot").
4. Sales Tax Election. The Secretary of the Board, or her designee, is hereby authorized to provide or cause to be provided to each Qualified Voter an Official Ballot. The Secretary of the Board, or her designee, shall count all ballots received and shall certify the results of the election.
5. Notice to the Department of Revenue. Within ten (10) days after the Qualified Voters have voted on and approved the imposition of the CID Sales Tax as provided in Section 3 of this Resolution, the Secretary of the Board of Directors of the District shall, in accordance with Section 67.1545.3 of the CID Act and Section 32.087 of the Revised Statutes of Missouri, as amended, cause to be notified in writing the Director of the Missouri Department of Revenue (the "Director") of the imposition of such tax, such notice to be faxed, electronically mailed, and subsequently mailed by first class United States mail, return receipt requested. The CID Sales Tax shall become effective on the first day of the second calendar quarter after the Director receives notice of the adoption of the CID Sales Tax as provided in this Section.
6. Severability. The sections, paragraphs, sentences, clauses and phrases of this Resolution shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Resolution is found by a court of competent jurisdiction to be invalid, the remaining portions of this Resolution are valid, unless the court finds the valid portions of the Resolution are so essential to and inseparably connected with and dependent upon the void portion that it cannot be

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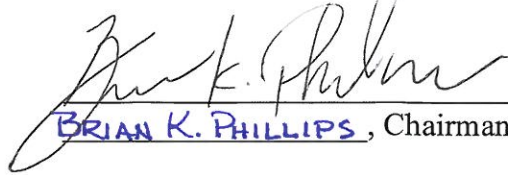
presumed that the Board of Directors has enacted the valid portions without the void ones, or unless the court finds that the valid portions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

7. Effectiveness. Sections 2, 3, 4, 5 and 6 of this Resolution shall be in full force and effect from and after the adoption of this Resolution as provided by law. Section 1 of this Resolution shall be effective upon the approval of the requisite majority of the votes cast by qualified voters of the District voting in favor of the CID Sales Tax as provided by law.

[Remainder of page intentionally left blank.]

ADOPTED this 18th day of July, 2014.

**THE EUCLID SOUTH COMMUNITY
IMPROVEMENT DISTRICT**



BRIAN K. PHILLIPS, Chairman

ATTEST:



SAMUEL T. KOPLAR, Secretary

EXHIBIT A

**THE EUCLID SOUTH COMMUNITY IMPROVEMENT DISTRICT
PROPOSAL TO IMPOSE A ONE PERCENT (1%) SALES AND USE TAX**

OFFICIAL BALLOT

Shall the Euclid South Community Improvement District (the “District”) impose a community improvement district-wide sales and use tax on all retail sales within the District which are subject to taxation under the provisions of Sections 144.010 to 144.525 of the Revised Statutes of Missouri, as amended, with certain exceptions set forth in Section 67.1545 of the Revised Statutes of Missouri, as amended, at the maximum rate of one percent (1%) (the “CID Sales Tax”) for a period beginning the first day of the second calendar quarter after the Director of the Missouri Department of Revenue receives notice of the adoption of the sales and use tax, such beginning date expected to be January 1, 2015, and ending twenty (20) years from the effective date of the CID Sales Tax, such termination date expected to be December 31, 2034. The purpose of the CID Sales Tax will be to finance the Project described in the petition establishing the District.

YES

NO

If you are in favor of the question, place an “X” in the box opposite “Yes.” If you are opposed to the question, place an “X” in the box opposite “No.”

THIS BALLOT MAY BE MAILED OR HAND DELIVERED TO THE EUCLID SOUTH COMMUNITY IMPROVEMENT DISTRICT at 190 Carondelet Plaza, Suite 600, St. Louis, MO 63105 ATTN: Sarah Davis, Euclid South Community Improvement District Attorney, **BY [DATE], WHICH IS THE DATE OF THE ELECTION.**