

RESOLUTION NO. 2009-26

A RESOLUTION OF THE GROVE COMMUNITY IMPROVEMENT DISTRICT ADOPTING A POLICY AND PROCEDURES ON POTENTIAL AND PERCEIVED CONFLICTS OF INTEREST OF THE DIRECTORS AND EMPLOYEES OF THE DISTRICT.

WHEREAS, the Grove Community Improvement District (the "District") is a community improvement district organized pursuant to Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri ("RSMo"), as amended (the "CID Act"), and established by the Board of Aldermen of the City of St. Louis by Ordinance No. 68107 (the "Ordinance") as a political subdivision of the State of Missouri; and

WHEREAS, at the regular meeting of the Board of Directors convened at 12:00 p.m., December 14, 2009 at 4140 Manchester Avenue, St. Louis, MO 63110, at which was present a quorum of the directors, the directors took the action further described herein;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Grove Community Improvement District, as follows:

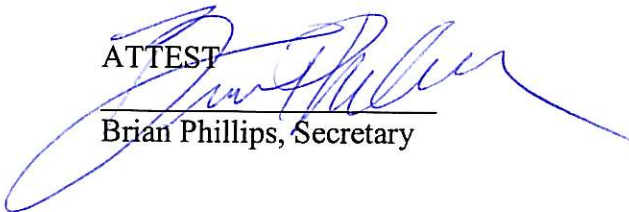
The Board of Directors of the District hereby adopts, accepts and approves its Public Policy pertaining to Conflicts of Interest and Voting attached as Exhibit A.

Adopted this 14th Day of December, 2009



Dan McGuire, Chairman

ATTEST



Brian Phillips, Secretary

**The Grove Community Improvement District
of the City of St. Louis**

Conflicts of Interest - Voting

December 14, 2009

- 1) **Declaration of Public Policy.** It is the public policy of the Grove Community Improvement District (the "District") that proper operation of the District requires that members of the Board of Directors (the "Board" or "Directors") and District employees be independent, impartial and responsible to the District's constituents; that District decisions and policy be made in the proper channels; that public office shall not be used for personal gain; and that the public have confidence in the integrity of the District. In recognition of these goals, there is established a procedure for disclosure by the Directors and employees of certain private financial or other interests in matters affecting the District.
- 2) **Acceptance of State Law.** All Directors and employees shall comply with applicable Sections 105.450 to 105.496, RSMo, as amended, on conflicts of interest, as well as any other state law governing official conduct.
- 3) **Definitions**
 - a) "Special monetary benefit" means being materially affected in a substantially different manner or degree than the manner or degree in which the public in general will be affected or, if the matter affects only a special class of persons, then affected in a substantially different manner or degree than the manner or degree in which such class will be affected.
 - b) "Substantial personal or private interest" means ownership by a Director or employee, his/her spouse, or his/her dependent children, whether singularly or collectively, directly or indirectly of:
 - i) 10% or more of any business entity; or
 - ii) an interest having a value of \$10,000 or more; or
 - iii) the receipt of a salary, gratuity, or other compensation or remuneration of \$5,000 or more, per year from any individual, partnership, organization, or association within any calendar year.

4) Conflicts of Interest; Disclosure and Abstention from Voting

- a) A conflict of interest exists when a Director votes or acts, or an employee acts, on any matter that would provide a “special monetary benefit” to such a Director or employee or his/her spouse or dependent children; or when a Director or an employee has a “substantial personal or private interest” in a proposed transaction involving the District. When either such conflict exists in a transaction being considered by the District, the Director or employee shall disclose that conflict before staff, the Board, or a committee takes any action on the matter.
- b) Any Director or employee with such a conflict shall disclose in writing to the Board or Committee in public session any such potential "special monetary benefit" or such “substantial personal or private interest” in a proposed transaction; and shall not vote, or act, or use his/her personal influence on such matter. Any such disclosure shall be presented to the Secretary or Committee Chair, as the case may be, in writing and such disclosure shall be recorded in the meeting minutes along with the record of the Director’s abstention from voting on such matter.

5) Appearance of Conflict of Interest; Abstention from Voting Recommended

- a) There may be times when a Director has an interest less than a “substantial personal or private interest” in a proposed transaction involving the District. When a Director has such a lesser personal or private interest in a transaction being considered by the Board, or a committee, the Director is encouraged to abstain from voting on such issue to avoid even the appearance of a conflict of interest.
 - b) Unless such personal or private interest is a “substantial personal or private interest,” a Director having such an interest is not required to disclose in writing to the other members of the Board or Committee in public session any such interest, but should abstain from voting on the issue.
-