

## IN THE CIRCUIT COURT OF COLE COUNTY, MISSOURI

ROB SCHAAF, et. al.,  
Missouri Taxpayers and Elected Officials  
Plaintiffs

v.

Case No. \_\_\_\_\_

JEREMIAH W. NIXON, in his official  
Capacity as Governor of the State of Missouri  
and  
REGIONAL CONVENTION AND SPORTS  
COMPLEX AUTHORITY,  
Defendants

SERVE DEFENDANT JEREMIAH NIXON at:  
Office of the Missouri Attorney General

SERVE DEFENDANT RSA at:  
Executive Director Brian McMurtry  
901 N. Broadway  
St. Louis, MO 63101

**PETITION FOR WRIT OF PROHIBITION AND DECLARATORY JUDGMENT**

Come now the Plaintiffs Rob Schaaf and other Missouri taxpayers and elected officials, through counsel, and for their Petition for Writ of Prohibition and Declaratory Judgment, state as follows:

**THE PARTIES**

1. Plaintiffs are Missouri taxpayers and duly elected state legislators: Senator Rob Schaaf and Representatives Rob Vescovo, Jay Barnes, Mark Parkinson, Eric Burlison, and Tracy McCreery.

2. Defendant Regional Convention and Sports Complex Authority ("RSA") is a body politic and corporate or public instrumentality duly organized under the laws of the State of Missouri.

3. Defendant Jay Nixon is the duly elected Governor of the State of Missouri.

4. Venue is proper in Cole County pursuant to §508.010, RSMo. because Plaintiff Jay Barnes is a resident of Cole County, state appropriations emanate from Cole County, and Defendant Gov. Jay Nixon resides in and his actions occurred in Cole County.

#### **NATURE OF THE ACTION**

5. Plaintiffs bring this action under Chapter 527, RSMo, seeking Declaratory Judgments and Writs of Prohibition and as taxpayers whose tax money is in the process of being spent illegally by the Defendant in pursuance of an illegal construction of a new NFL stadium in St. Louis with taxpayer money.

6. Plaintiffs have no other remedies at law to protect their rights and interests herein described.

#### **FACTS RELEVANT TO THE ACTION**

7. Defendant RSA is a governmental entity created under §67.650 to §67.658, RSMo.

8. Pursuant to its statutory authority, Defendant RSA entered into a Project Financing, Construction and Operation Agreement with St. Louis County, St. Louis City, and the State of Missouri in 1991 to construct and operate the Edward Jones Dome. Pursuant to said agreement, Defendant RSA owns the Dome and leases it to the County, City, and State in exchange for base rental payments and preservation payments. The County, City, and State sublease the Dome back to the Defendant RSA, which has further subleased and contracted with the St. Louis Convention and Visitors Commission ("CVC") to manage and operate the Dome. Since 1995, the CVC has leased the dome to the St. Louis Rams.

9. Contemporaneous to the execution of the agreement in 1991, Defendant RSA

issued a series of three bonds to provide funds to finance construction of the Dome. The annual rental payments from the County, City, and State were designed to be sufficient to pay the debt service on the respective bonds sponsored by each separate governmental entity. In addition, the County, City, and State pay preservation payments for upkeep and maintenance of the Dome through 2024.

10. The owner of the St. Louis Rams has announced his intention to build a new football stadium in southern California which would serve as a new venue for the Rams.

11. In late 2014, Defendant Governor Jay Nixon appointed a two-person task force to develop a financing plan for construction and operation of a new sports stadium to present to the Rams ownership and the NFL.

12. On January 29, 2015, Defendant RSA approved agreements with contractors for work planning for a new stadium.

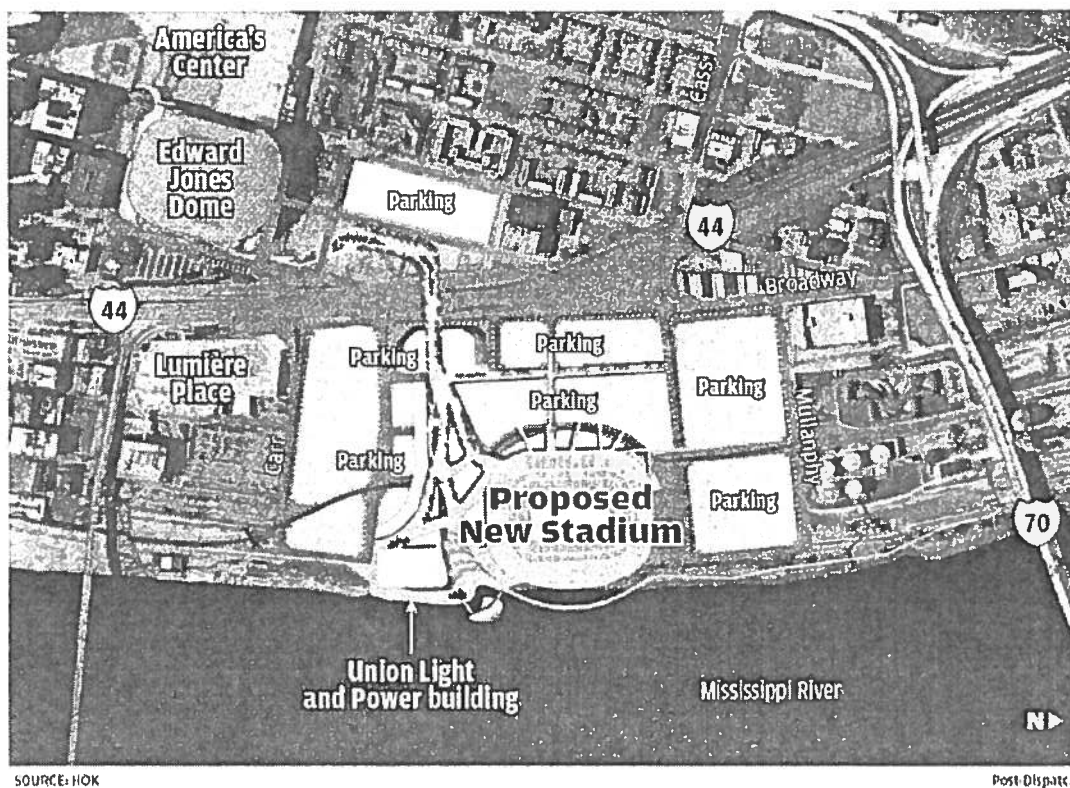
13. As of May 1, 2015, Defendant RSA has been billed nearly \$27,982.50 for legal fees, \$50,495.44 for architectural designs, and more than \$730,000 in other fees.

14. In addition, Defendant RSA has signed contracts with architects, engineers, surveyors, planners, contract attorneys, tax attorneys, and bond attorneys which total more than \$40 million.

15. In planning for potential new construction, Defendants RSA and Governor Jay Nixon have made direct expenditures of funds generated through taxation.

16. Defendants have since developed and announced plans for a new open-air 64,000 seat stadium suitable for multiple purposes but designed and constructed to meet NFL franchise standards together with parking and related development.

17. The following is an overview of Defendants' stadium plan:



18. Upon information and belief, Defendants' plan contemplates extension of existing payments by the County, City, and/or State, including at least \$12 million per year in State taxpayer funding and \$6 million in extended bond payments from the City.

### **COUNT I**

**Defendants' Actions in Spending Money for Purposes of the Planned New Stadium are in Violation of Its Authorizing Statutes in That It Extends Bonding Debt in a Manner Which Would Increase the Principal Owed**

19. Section 67.653.1(10)(g), RSMo, limits the authority of Defendant RSA to extend bond payments:

(g) The authority may issue negotiable refunding bonds for the purpose of refunding, extending, or unifying the whole or any part of such bonds then outstanding, or any bonds, notes, or other obligations issued by any other public agency, public body or political subdivision in connection with any facilities to be acquired, leased, or subleased by the authority, which refunding bonds *shall not exceed the amount necessary to refund the principal of the outstanding bonds to be refunded and the accrued interest thereon to the date of such refunding*, together with any redemption premium, amounts necessary to establish reserve

and escrow funds and all costs and expenses incurred in connection with the refunding. The authority may provide for the payment of interest on such refunding bonds at a rate in excess of the bonds to be refunded;

20. Defendants' financing plan would extend the existing bond payments in a manner that falls under the strictures of §67.653.1(10)(g).

21. Defendants' financing plan necessarily "exceed[s] the amount necessary to refund the principal of the outstanding bonds to be refunded and the accrued interest thereon to the date of such refunding."

22. Defendants' financing plan, to the extent it increases the principal owed, is in excess of its authority under Missouri law.

## **COUNT II**

### **Defendants' Actions in Spending Money for Purposes of the Planned New Stadium are in Violation of Its Authorizing Statutes in That It Extends Bonding Debt Beyond 50 Years**

23. Plaintiffs re-allege and incorporate by reference all preceding paragraphs.

24. Section 67.653.1(10)(b), RSMo, limits the authority of Defendant RSA to extend bond payments:

(b) Notwithstanding the provisions of section 108.170, such bonds shall bear interest at such rate or rates determined by the authority and shall mature within a period not exceeding fifty years and may be sold at public or private sale for not less than ninety-five percent of the principal amount thereof. Bonds issued by the authority shall possess all of the qualities of negotiable instruments under the laws of this state;

25. Defendants' financing plan would extend the existing bond payments in a manner that falls under the strictures of §67.653.1(10)(a).

26. Defendants' financing plan would result in bonds with a maturity "exceeding fifty years."

27. Defendants' financing plan, to the extent it extends bond payments for more than

fifty years, is in excess of its authority under Missouri law.

### **COUNT III**

**Defendant's Actions in Spending Money for Purposes of the Planned New Stadium are In Excess of Its Statutory Authority In That Defendant's Plans Contemplate a Stadium Which is Not "Adjacent To" a "Convention Facility" That Either Exists Today or Was Existing at the Time of the Adoption of § 67.653.1(1), RSMo**

28. Plaintiffs re-allege and incorporate by reference all preceding paragraphs.

29. Section 67.653.1(1), RSMo, limits the authority of Defendant RSA to finance stadiums, requiring that "any stadium, complex or facility newly constructed by the authority ... shall be *located adjacent to an existing convention facility*." Emphasis added.

30. Defendants' currently released plans reveal a proposed stadium that is not located "adjacent" to any "existing" convention facility.

31. The only relevant convention facility which existed at the time of the passage of §67.653.1(1), RSMo, was the Cervantes Convention Center, which is not adjacent to Defendant's proposed plans for a new stadium.

32. Even assuming the legislature adopted the word "existing" as a moving target, there is no currently existing convention facility that is adjacent to Defendant's proposed plans for a new stadium.

33. Defendants' proposed construction, to the extent it involves planning a stadium not adjacent to the Cervantes Convention Center which existed at the time of the Defendant RSA's creation, is in excess of its authority under Missouri law.

### **COUNT IV**

**Defendant's Actions in Spending Money for Purposes of the Planned New Stadium are In Excess of Its Statutory Authority In That Defendant's Current Composition is Illegal**

34. Plaintiffs re-allege and incorporate by reference all preceding paragraphs.

35. Defendant RSA operates with an eleven-member board whereby “no more than six members of the Authority shall be of the same political party.” §67.652.3, RSMo.

36. At present, the following seven commissioners are listed as Democrats:

- a. Sandra Dew
- b. Paul Lorenzi
- c. Rev. Earl Nance, Jr.
- d. Jerome Wallach
- e. Darold Crotzer ,Jr.
- f. James Shrewsbury, and
- g. Joseph Hunt

37. Three other commissioners claim not to be members of a political party:

- h. Linda Primer
- i. Dr. Henry Givens, Jr., and
- j. Kevin Cantwell

38. In addition to the seven commission members listed above, Dr. Henry Givens, Jr. is also a Democrat. Since 2008, Dr. Givens has consistently contributed money exclusively to Democratic candidates for office. Upon information and belief, Dr. Givens has donated over \$20,000 to Democratic candidates for office in Missouri and \$0 to Republicans.

39. Defendant RSA’s actions taken with a Board comprised of members in violation of its statutory requirements are in excess of its authority under Missouri law.

**COUNT V**

**Defendants' Actions in Spending Money for Purposes of the Planned New Stadium are In Excess of Its Authority in That State Appropriations to Defendant Were Limited to "Debt Service and Maintenance on the Edward Jones Dome Project in St. Louis"**

40. Plaintiffs re-allege and incorporate by reference all preceding paragraphs.

41. State appropriations to Defendant RSA for the 2014 fiscal year were included in House Bill 2005, which specified, in pertinent part:

Section 5.230. To the Office of Administration  
 2 For the Division of Accounting  
 3 For debt service and maintenance on the Edward Jones Dome project in  
 4 St. Louis  
 5 From General Revenue Fund. . . . . \$12,000,000

42. Defendant RSA and Defendant Governor Jay Nixon's actions in using funds to pay for planning construction of a new stadium are in excess of the lawful purpose of the appropriation in House Bill 2005 because they are not for "debt service and maintenance on the *Edward Jones Dome project* in St. Louis."

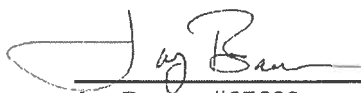
WHEREFORE, Plaintiffs respectfully request this Court enter a Declaratory Judgment and a Writ or Prohibition that declare and prohibit Defendants from:

- (1) Entering agreements which increase the amount of bond principal owed;
- (2) Entering agreements which extend bonds greater than 50 years from the initial date of bonding;
- (3) Financing or constructing a new stadium that is not adjacent to the Cerventes Convention Center, currently known as "America's Center" as depicted in ¶17 above, as it existed at the time of the passage of the legislation creating the Defendant;



- (4) Taking any action while its Board is made up of more than six members of any single political party;
- (5) Expending further funds for planning a new stadium in the absence of an appropriation permitting such a purpose; and
- (6) For any other relief the Court deems just and appropriate.

Respectfully submitted,  
**BARNES & ASSOCIATES**



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