LEADING PROGRESS

BI-STATE DEVELOPMENT AGENCY PARTNERS TO DRIVE REGIONAL SUCCESS.

2014 STATE OF THE AGENCY REPORT

SPECIAL INSERT TO THE ST. LOUIS BUSINESS JOURNAL
Dear Friends,

It’s no coincidence that Development is our middle name. The Bi-State Development Agency was founded more than 60 years ago as an economic development organization to address and resolve regional problems. We are in the business of providing solutions to regional challenges in order to grow the area’s economy and provide infrastructure through which economic development can occur. Today, we partner with area companies and institutions on both sides of the Mississippi River to make the St. Louis area attractive to businesses, residents and visitors.

Bi-State Development Agency gave the once shuttered Parks Airport new life and now, the St. Louis Downtown Airport, is the third busiest airport in Illinois. Our unique partnership with the National Park Service to operate and maintain the most visited monument west of the Liberty Bell enabled us to preserve the St. Louis riverfront. To complement the iconic Gateway Arch, we added family-oriented amenities like the riverboats, bike rentals and helicopter tours. What’s more, our work provides visitors with a place to park and tram rides to the top of the Arch.

Businesses rely on Bi-State Development Agency’s transit operation, Metro, to bring people to jobs. Of the people who ride transit, 75% use it for transportation to work. The medical community depends on convenient transportation to bring their employees to work and their patients to receive care. The St. Louis Cardinals organization is just one in the world of St. Louis sports and entertainment that relies on Metro to provide transportation not only to fans, but also to their staff.

Metro’s world renowned transit system operates at a level of reliability and efficiency never seen before in the region, and has become a model for many around the country. Transit provides access to the area’s public and private schools and institutions of higher learning. Many partner with Metro to help students with the cost of transportation. Washington University, for example, provides transit passes to all full-time students, faculty and staff. Developers also see the value in investing near permanent public transit locations. CORTEX planned its location with MetroLink service in mind, as did IKEA. NorthPark, home to Express Scripts and several other businesses, is an important development in North St. Louis County near the North Hanley MetroLink Station. Metro provides affordable and efficient access to where people work, live, learn, shop and play.

Bi-State Development Agency is uniquely positioned and empowered to solve regional challenges. We’ve done it for six decades and more exciting projects are underway. Thank you for the opportunity to serve.

David A. Dietzel
Chairman, Board of Commissioners

John M. Nations
President and CEO

“Today, we partner with area companies and institutions on both sides of the Mississippi River to make the St. Louis area attractive to businesses, residents and visitors.”
TOURISM ENTERPRISES

Bi-State Development Agency (BSDA) began working with the National Park Service even before the Gateway Arch was constructed and has recently extended its partnership to continue Gateway Arch-related operations for a minimum of 10 years. The agreement green-lights our Gateway Arch capital projects, including storm-water drainage, rehabilitation of tram load zones and exhibits, and replacement of the motor generator sets that operate the tram system. BSDA is also responsible for marketing the Gateway Arch Riverfront, which includes the Becky Thatcher and the Tom Sawyer Riverboats, bike rentals and helicopter tours, to regional and national tourism markets. Special projects to engage visitors include the Yoga Under the Arch program, Night at the Museum and River City Music Days.

Metro transit, which operates MetroBus, MetroLink and Metro Call-A-Ride, began providing bus service in 1963 and is recognized today as a national leader in safety, reliability and operational efficiency. Bi-State Development Agency (BSDA) has several projects underway to improve the system and to enhance the rider’s experience.

Two transit centers, one in North County and one in downtown St. Louis, are scheduled to open in 2015. These centers will not only provide customer amenities, but will also provide better connections.

Bus Rapid Transit (BRT) corridors aimed at providing high-capacity transit to more communities in the region are being studied. They are the West Florissant – Natural Bridge BRT and the I-64 BRT. These corridors will focus on connecting people with major employment centers while reducing commute times.

Improving the customer experience is important. Installation is nearly completed on an automatic vehicle location system to provide real-time arrival information to customers, as well as Metro operations.

Another capital improvement involved the purchase of articulated buses, which will go into service on the Grand Line in June 2014.

Since 2011, $1.8 billion in new public and private development has been built, planned or is under construction within a half-mile radius of MetroLink stations.

ST. LOUIS DOWNTOWN AIRPORT

Minutes from the Gateway Arch, St. Louis Downtown Airport is the third busiest airport in Illinois, after O’Hare and Midway in Chicago, and the second busiest in the St. Louis Metropolitan area. The airport and its surrounding business park supports 1,800 jobs and contributes an estimated $584 million to the region. The 2012 expansion of the primary runway allows larger aircraft like the Boeing 757 and Airbus 320 to take off and land – generating new business.

Now home to 26 aviation-related businesses, a land use plan was created as the first phase of a 20-year master plan for future development of the surrounding industrial business park at the airport.

Bi-State Development Agency partners with Jet Aviation and Ideal Aviation to nurture the growing charter flight market. Sports charters alone served 4,000 passengers in 2013, up from 244 in 2012. Gateway Arch Helicopters also operate out of St. Louis Downtown Airport.
LEADING PROGRESS

Bi-State Development Agency (BSDA) leads progress by providing regional leadership, innovative thinking and true collaboration. Each day, the Agency focuses on strengthening our region by promoting economic development and planning for the future. Collaborating with others dedicated to regional progress, BSDA continues to move the region forward.

BUILDING AND UPGRADING REGIONAL TRANSIT CENTERS

TWO NEW METRO TRANSIT CENTERS ARE SCHEDULED TO OPEN NEXT YEAR:

THE CIVIC CENTER TRANSIT CENTER, located at 14th & Spruce Streets is being expanded to accommodate 18 MetroBus bays, two Metro Call-A-Ride spaces and an area for 60-foot articulated buses. A new indoor climate-controlled waiting area with public restrooms and concessions will be constructed.

THE NORTH COUNTY TRANSIT CENTER will be located north of Interstate 270 on Pershall Road. A former auto dealership will be transformed into a transit center with an indoor passenger waiting area, public and operator restrooms, concessions and parking.

“Bi-State Development Agency is uniquely positioned and empowered to solve regional challenges. We’ve done it for six decades and more exciting projects are underway.”

– John M. Nations, President and CEO

$8.5 million TO BE RAISED FOR ARCH UPGRADES

NATIONAL PARK SERVICE PARTNERSHIP

For more than 50 years, Bi-State Development Agency (BSDA) has successfully partnered with the National Park Service. This recently renewed partnership gives BSDA the ability to move forward with capital projects at the Gateway Arch such as raising an estimated $8.5 million in bonds for the replacement of the Arch tram system motor generator sets and funding a portion of the new Visitor Center roof.
ARTICULATED BUSES FOR ADDED CAPACITY

To deliver on a promise to Move Transit Forward – Metro is incorporating higher-capacity buses to ease overcrowding on the region’s busiest route, the #70 Grand Line. Metro’s 60-foot articulated buses will offer nearly 25% more capacity. A federal grant paid for 80% of the cost to purchase 15 rebuilt articulated buses, which will go into service starting in June.

Articulated buses have 25% more capacity

EADS BRIDGE REHABILITATION PROJECT

Rehabilitation work on the historic Eads Bridge is moving forward. Crews have completed major tasks including removal of old paint and rust, priming the steel structure on the north side of the bridge, and repainting the bridge infrastructure, also on the north side. Later this year, work will move to the south side of the bridge.

GETTING ONBOARD WITH SMART CARD

Metro is in the process of moving to a Smart Card compatible fare collection system that will make fare payment easier and more convenient for passengers. The Smart Cards will also allow Metro to collect important data that can be used in ongoing planning and scheduling efforts with the goal of improving the customer’s overall experience. Testing on the system will begin this summer.

CityArchRiver 2015 PROJECT TO ENHANCE GATEWAY ARCH EXPERIENCE

Bi-State Development Agency is partnering with the National Park Service, CityArchRiver 2015, the City of St. Louis and other stakeholders to shape the future of the Gateway Arch Riverfront through its participation in the CityArchRiver 2015 project.
PORTraits OF PROGRESS

Developing real solutions to regional challenges is a collective effort. By working with regional stakeholders, Bi-State Development Agency has established a reputation, locally and nationally, for driving progress with industry-leading efficiency and accountability.

Tom George
Chancellor, University of Missouri St. Louis

“UMSL’s ability to educate the region’s workforce is heavily dependent on public transportation, as literally thousands of our students access Metro daily.”

Tom Bradley
Superintendent, Jefferson National Expansion Memorial

“Ever since Bi-State Development Agency stepped up 50 years ago to finance, build and operate the Arch trams, they have continued to be a wonderful partner to the National Park Service and its millions of visitors.”

Tom George
Chancellor, University of Missouri St. Louis

“UMSL’s ability to educate the region’s workforce is heavily dependent on public transportation, as literally thousands of our students access Metro daily.”

Francis Slay
Mayor, City of St. Louis

“The people who work at Bi-State Development Agency do a great job. They deserve our region’s congratulations.”

Charlie Dooley
St. Louis County Executive

“As a region we have worked very hard to attract, retain and grow business. One of the key elements in our success has been our ability to efficiently get people to where the jobs and amenities are. Bi-State Development Agency is a huge economic development tool for us.”

Mark Kern
Chairman, St. Clair County Board

“Quality transportation is a hallmark of economic health and vitality. Metro is a critical partner in our pursuit of this goal.”

Saundra Cunningham
Call-A-Ride Customer

“I’m legally blind, and had a liver transplant. I use Metro Call-A-Ride to get to my doctor appointments. They’re always on time for me. I don’t know what I’d do without them.”

Richard Sauget Jr.
Mayor, Village of Sauget

“The recent growth at Bi-State Development Agency’s St. Louis Downtown Airport has been a quiet, but a very strong addition to the metro region.”
**Chris Krehmeyer**  
President and CEO, Beyond Housing  

“Bi-State Development Agency helps drive our regional economy forward connecting people to jobs and entertainment. Transportation matters!”

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**Patrick Dolan**  
Executive Vice President, St. Louis Bridge Construction Co.

“Bi-State Development Agency invests significant dollars to improve the infrastructure of their system, enhancing transportation in the Metro area.”

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**Kathleen “Kitty” Ratcliffe**  
President, St. Louis Convention & Visitors Commission

“Thousands of leisure travelers and convention delegates rely on Metro each year to move about the St. Louis region connecting the airport, hotels, neighborhoods and world-class attractions.”

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**Dennis Lower**  
President and CEO, CORTEX

“Our partnership with Bi-State Development Agency is critical for Cortex to successfully recruit a millennial workforce and European companies.”

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**Arlene Maminta Browne**  
Co-owner, Robust Wine Bar

“Today, with the help of Bi-State Development Agency, The Mercantile Exchange is a bustling epi-center of our city’s life with conventions and tourism on the rise. Bi-State Development Agency has been a true catalyst for creating more jobs and growth to the entire region.”

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**Rodney Crim**  
President, St. Louis Economic Development Partnership

“The Bi-State Development Agency is a good economic development partner. Thriving regions must have quality transit systems. Getting our talented workers to the businesses that need them is at the heart of growing the St. Louis economy.”

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**Constance Gully**  
Interim President and Executive Vice President, Business and Financial Affairs, Harris-Stowe State University

“Bi-State Development Agency has long been a valued resource in our region. Our students benefit greatly from Metro access to our University. Without the Metro system in place, HSSU students would definitely be affected. The transit option allows us to be even more accessible for those pursuing a degree.”
The Bi-State Development Agency received a Certificate of Achievement for Excellence in Financial Reporting (CAFR) award from the Government Finance Officers Association of the United States and Canada (GFOA). This is the 18th consecutive year the Agency has received this award.

**FINANCIAL SNAPSHOT**

For the Year Ended June 30, 2013

<table>
<thead>
<tr>
<th>METRO TRANSIT</th>
<th>ARCH TRAIN SYSTEM</th>
<th>ARCH PARKING FACILITY</th>
<th>REVEREPORT ATTRACTIONS</th>
<th>ST. LOUIS DOWNTOWN AIRPORT</th>
<th>EXECUTIVE SERVICES</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger and service revenues       $ 52,103,346</td>
<td>$ 5,812,468</td>
<td>$ 1,554,846</td>
<td>$ 2,037,631</td>
<td>$ 1,612,565</td>
<td></td>
<td>$ 63,120,856</td>
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<tr>
<td>Other operating revenue       7,714,398</td>
<td>28,765</td>
<td>77,007</td>
<td>167,018</td>
<td>208,253</td>
<td>3,939,994</td>
<td>12,355,246</td>
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<tr>
<td>Non-operating revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local                        181,825,289</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>500</td>
<td>181,825,789</td>
</tr>
<tr>
<td>State                        3,784,589</td>
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<td></td>
<td>3,784,589</td>
</tr>
<tr>
<td>Federal                      19,282,927</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>19,282,927</td>
</tr>
<tr>
<td>Interest                    5,538,658</td>
<td>20,217</td>
<td>1,434</td>
<td>10</td>
<td>333</td>
<td>3,558</td>
<td>5,663,210</td>
</tr>
<tr>
<td>Other                       1,339,540</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>425,000</td>
<td>1,764,540</td>
</tr>
<tr>
<td>Total revenues               271,588,547</td>
<td>5,861,451</td>
<td>1,633,297</td>
<td>2,204,659</td>
<td>2,246,651</td>
<td>3,942,552</td>
<td>287,477,157</td>
</tr>
</tbody>
</table>

**EXPENSES**

| Wages and benefits | 158,765,282 | 1,434,012 | 383,604 | 1,216,917 | 835,072 | 164,549,849 |
| Services           | 28,627,959 | 809,970 | 540,328 | 20,875 | 596,484 | 30,804,570 |
| Materials, supplies and fuel | 37,199,651 | 254,952 | 26,931 | 512,675 | 150,251 | 38,164,379 |
| Casualty and liability insurance | 4,408,441 | 39,837 | 254,952 | 109,471 | 58,387 | 4,698,094 |
| Administrative charges | 2,600,000 | 634,945 | 90,253 | 218,214 | 190,801 | 3,427,697 |
| Utilities, leases and general expense | 9,423,546 | 634,945 | 90,253 | 195,476 | 190,801 | 10,733,235 |
| Non-operating expenses | 31,356,943 | 445,014 | 735,061 | 19,031 | 16,646 | 32,572,697 |
| Depreciation and amortization | 69,947,404 | 405,693 | 35,147 | 5,560,210 | 3,490,790 | 73,309,768 |
| Total expenses       | 342,339,228 | 4,659,757 | 2,007,886 | 2,578,312 | 2,033,606 | 3,174,486 | 357,443,269 |

**INCOME (LOSS) BEFORE NET TRANSFERS**

| Wages and benefits | (70,713,876) | 1,201,694 | (374,838) | (373,653) | (786,955) | 1,218,066 | (69,866,112) |
| Services           | 49,442,170 | — | — | — | 686,673 | 49,128,843 |
| Materials, supplies and fuel | (21,231,706) | 2,381,078 | (1,590,772) | (373,653) | (786,955) | 1,218,066 | (79,777,269) |
| Total net assets, beginning of the year | 621,738,558 | 14,001,348 | 2,179,895 | 1,337,776 | 26,636,152 | 5,563,210 | 667,450,653 |
| Total net assets, end of the year | $600,486,852 | $16,382,426 | $893,123 | $961,523 | $26,535,870 | $2,779,590 | $647,733,384 |

For Bi-State Development Agency’s official audited statements in GAAP format, please visit our web site – www.metrostlouis.org

**BOARD OF COMMISSIONERS**

Bi-State Development Agency’s 10-member Board provides overall leadership and policy direction for the Agency, and is comprised of five members from Missouri and five from Illinois. In Missouri, members are selected by the Governor from recommendations by the Mayor of the City of St. Louis and the St. Louis County Executive. In Illinois, the Chairmen of the County Board for both St. Clair and Madison counties appoint their representatives. Members of the Board serve 5-year terms without compensation and must be a resident voter of their state, as well as reside within the bi-state metropolitan region.

DAVID DIETZEL  
Board Chairman  
Madison County  
Illinois

MICHAEL BUEHLHORN  
Treasurer  
St. Clair County  
Illinois

KEVIN CAHILL  
Secretary  
St. Louis County  
Missouri

FONZY COLEMAN  
St. Clair County  
Illinois

CONSTANCE GULLY  
Vice Chair  
St. Louis County  
Missouri

ALIAH HOLMAN  
St. Louis City  
Missouri

TADAS KICIELINSKI  
Madison County  
Illinois

VINCENT SCHOEMEHL JR.  
St. Louis City  
Missouri

HUGH SCOTT III  
St. Louis County  
Missouri

JEFFREY WATSON  
St. Clair County  
Illinois