

**RESOLUTION No. 7-2-19**

**RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI; APPROVING COLLATERAL ASSIGNMENT OF REDEVELOPMENT CONTRACT; AND AUTHORIZING OTHER RELATED ACTIONS.**

**WHEREAS**, the Land Clearance for Redevelopment Authority of Kansas City, Missouri (“Authority”) is a public body corporate and politic created by the Land Clearance for Redevelopment Authority Law, Section 99.300, *et seq.*, RSMo (“LCRA Law”), and is transacting business and exercising the powers granted by the LCRA Law by virtue of Committee Substitute for Ordinance No. 16120, duly passed by the City Council (“City Council”) of the City of Kansas City, Missouri (the “City”), November 21, 1952; and

**WHEREAS**, by its Resolution No. 7-03-17, dated July 26, 2017, the Authority approved the 6434 Paseo Urban Renewal Plan (the “Plan”) for the 6434 Paseo Urban Renewal Area (the “Plan Area”); and

**WHEREAS**, on October 12, 2017, the City Council approved by Ordinance No. 170798 the Plan for the Plan Area; and

**WHEREAS**, the Authority issued and published a Request for Redevelopment Contract Proposals for the implementation of a redevelopment project for certain real property within the Plan Area (the “Project Area”); and

**WHEREAS**, 6410 Paseo Blvd, LLC, a Missouri limited liability company (the “Developer”) submitted a redevelopment contract proposal (the “Proposal”) to implement a redevelopment project within the Project Area consisting of acquisition and construction of an approximately 96,443 square foot, 82-unit age-restricted (senior) apartment building with parking and other related improvements located at 6404 Paseo Boulevard (the “Project”); and

**WHEREAS**, by Resolution No. 7-2-18 dated July 25, 2018, the Authority selected the Developer as redeveloper for the Project and approved a sales/leaseback transaction to: (a) provide a sales tax exemption incentive on construction materials to facilitate construction of the Project on behalf of the Authority, and (b) transfer title to the Project and related property back to the Company and grant tax abatement to the Company upon completion of the Project as provided in the Redevelopment Contract (defined below), all for the purpose of eliminating blighting conditions found to exist in the Project Area and in accordance with and pursuant to the LCRA Act and subject to the terms and conditions of the Bond Documents (defined below); and

**WHEREAS**, on December 18, 2018, the Authority, as authorized by Resolution No. 8-04-18 dated August 22, 2018, issued its Taxable Industrial Revenue Bond (Brookside East Apartments Project), Series 2018, in the maximum principal amount of \$14,500,000 (“Bond”), acquired the Project property and leased the Project property back to the Developer pursuant to the: (a) Trust Indenture between the Authority and Commerce Bank, as trustee, dated as of December 1, 2018; (b) the Lease Agreement, between the Authority and the Developer dated as December 1, 2018, as evidenced by the Memorandum of Lease Agreement recorded as Instrument No. 2018E0107555; (c) the Bond Purchase Agreement among the Authority, the Developer, and the

Developer, as purchaser of the Bond, dated as of December 1, 2018; (d) the Sale/Leaseback and Redevelopment Contract (“Redevelopment Contract”) between the Authority and the Developer dated as of August 22, 2018; and (e) other related documents (collectively, “Bond Documents”); and

**WHEREAS**, the Developer is seeking to obtain a loan from Mutual of Omaha Bank (“Bank”) to construct the Project; and

**WHEREAS**, as security for the loan, the Bank and the Developer request that the Authority approve a collateral assignment of the Redevelopment Contract; and

**WHEREAS**, the Authority desires to approve a collateral assignment of the Redevelopment Contract for the purpose of assisting the Developer and to facilitate construction of the Project as contemplated in the Bond Documents.

**NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI, AS FOLLOWS:**

**Section 1.** The Authority approves the Collateral Assignment of Redevelopment Contract in substantially the form attached as Exhibit A, subject to such changes, additions or deletions as the officers authorized to execute and deliver the Collateral Assignment of Redevelopment Contract, upon the advice of counsel, may deem necessary or desirable to carry out the intent of this Resolution.

**Section 2.** Each of the Chairman, Vice Chairman and Executive Director is authorized and directed to execute and deliver the Agreement for and on behalf of the Authority, and the such officer’s execution of the Collateral Assignment of Redevelopment Contract shall be conclusive evidence of their approval thereof.

**Section 3.** Each of the Chairman, Vice Chairman and Executive Director is authorized to take such other actions as deemed necessary or desirable to carry out the intent of this Resolution.

**Section 4.** This Resolution shall take effect and be in full force immediately after its adoption by the Authority.

**ADOPTED** by the Land Clearance for Redevelopment Authority of Kansas City, Missouri this 24<sup>th</sup> day of July, 2019.

**LAND CLEARANCE FOR REDEVELOPMENT  
AUTHORITY OF KANSAS CITY, MISSOURI**

By: \_\_\_\_\_  
Steven D. Hamilton, Chairman

ATTEST:

---

Greg Flisram, Secretary

Exhibit A

**Collateral Assignment of Redevelopment Contract**