

RESOLUTION No. 11- -21

RESOLUTION BY THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI APPROVING A LOAN EXTENSION WITH WELLS FARGO BANK, NATIONAL ASSOCIATION, AND THE BANK OF NOVA SCOTIA FOR THE KANSAS CITY CONVENTION CENTER HEADQUARTERS HOTEL PROJECT; AND AUTHORIZING 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 Act**”), and is transacting business and exercising the powers granted by the LCRA Act by virtue of Committee Substitute for Ordinance No. 16120, duly passed by the City Council (“**City Council**”) of the City of Kansas City, Missouri (“**City**”), on November 21, 1952; and

WHEREAS, by its Resolution No. 6-02-15, dated June 24, 2015, the Authority approved the Truman & Wyandotte Urban Renewal Plan (“**LCRA Plan**”), the purpose of which is to eliminate and prevent the spread, development and recurrence of the blighted and insanitary conditions within the Urban Renewal Area (“**Urban Renewal Area**”) as legally described in the LCRA Plan;

WHEREAS, by its Resolution No. 6-03-15 dated June 24, 2015, as amended and Restated by its Resolution No. 9-5-16 dated September 28, 2016, the Authority declared its intent to issue its tax increment financing and special district revenue bonds in one or more tax-exempt or taxable series in an aggregate principal amount not to exceed \$200,000,000.00 to provide funds to pay a portion of the costs of a redevelopment project consisting of a convention center headquarters hotel containing approximately 800 guest rooms, approximately 75,000 square feet of meeting space, and approximately 4,500 square foot winter garden/terrace, approximately 15,450 square feet of retail, restaurant, bar and lounge areas and approximately 9,913 square feet of recreational facilities and related on-site improvements (the “**Hotel**”), (2) a parking structure accommodating approximately 450 spaces will be constructed (clauses (1) and (2), collectively, “**Project Improvements**”); and (3) sidewalk, streetscape and other related public improvements, including an above-street walkway connection (“**Connector**”) extending over public right-of-way between the hotel and Bartle Hall Convention Center (“**Bartle Hall Convention Center**”) owned by the City (“**Public Improvements**”) (collectively, the Project Improvements and the Public Improvements comprise the “**Project**”), as more fully described in the LCRA Plan and the project application submitted by KC Hotel Developers, LLC, a Missouri limited liability company (the “**Original Redeveloper**”);

WHEREAS, on June 30, 2015, the Tax Increment Financing Commission of Kansas City, Missouri (the “**Commission**”) by Resolution No. 6-16-15, recommended that the City of Kansas City, Missouri, approve the Kansas City Convention Center Headquarters Hotel Tax Increment Finance Plan (the “**TIF Plan**”);

WHEREAS, on July 23, 2015, the City Council adopted Committee Substitute for Ordinance No. 150597, which, among other things, pursuant to the authority granted the City

Council by the LCRA Act, approved the LCRA Plan and determined that the portion of the City located within the Urban Renewal Area is blighted, and, pursuant to the authority granted the City Council by the Missouri tax increment financing statute, approved the TIF Plan, and, pursuant to the authority granted the City Council by the Missouri community improvement district statute, approved the formation of the Kansas City Convention Center Headquarters Hotel Community Improvement District (the “CID”);

WHEREAS, by its Resolution No. 9-2-15 dated September 23, 2015, the Authority ratified and approved the Property Transfer Agreement between the Authority and the City governing the transfer of the property owned by the City (the “**City Property**”) within the Urban Renewal Area to the Authority. The City Property is as legally described in the Property Transfer Agreement. The remainder of the property (the “**Private Property**”) within the Urban Renewal Area was then owned by American Hereford Association and is legally described in the Property Transfer Agreement. The Original Redeveloper and American Hereford Association entered into the Real Estate Sale Agreement (the “**Private Property Agreement**”) dated as of December 19, 2016, as may be amended from time, for the acquisition of the Private Property by the Original Redeveloper;

WHEREAS, the Authority and the Original Redeveloper entered into the Amended and Restated Funding Agreement (the “**Original Funding Agreement**”) dated as of September 23, 2015, pursuant to which the Original Redeveloper agreed to pay costs incurred by the Authority in connection with the Authority’s activities to facilitate implementation of the LCRA Plan. The Authority approved a modified fee schedule attached to be attached as Exhibit A to the Original Funding Agreement by Resolution No. 10-03-16 dated October 17, 2016;

WHEREAS, by its Resolution No. 10-3-15 dated October 28, 2015, the Authority selected the Original Redeveloper as the redeveloper to implement the LCRA Plan and construct the Project, and to authorize the Authority, upon advice of legal counsel, to negotiate such redevelopment agreements, sale/leaseback agreements and such other agreements or documents as deemed necessary or desirable to implement the LCRA Plan, including to: (a) acquire the City Property and the Private Property and lease such property to the Original Redeveloper; (b) obtain a mortgage loan (non-recourse as to the Authority) to assist in funding acquisition and development of the Project; (c) provide sales tax exemption on the purchase of materials and supplies necessary for the construction of the Project in accordance with Chapter 144, RSMo; (d) provide personal property tax exemption on the purchase of personal property necessary to equip and operate the Project; (e) act as the property owner regarding the operation and governance of the CID in accordance with Sections 67.1401 to 67.1571, RSMo; and (f) issue bonds;

WHEREAS, by its Resolution No. 8-6-17 dated August 23, 2017, the Authority approved leasing the parking and meeting space portion of the Project to the CID;

WHEREAS, by its Resolution No. 10-6-17 dated October 25, 2017, the Authority approved the assignment of development rights from the Original Redeveloper to KC Hotel Property Owner, LLC, a Delaware limited liability company (“**Redeveloper**”), for implementation of the LCRA Plan and construction of the Project;

WHEREAS, the City and the Original Redeveloper previously entered into the (a) Master Financing Agreement between the Original Redeveloper and the City dated as of September 8, 2015, as amended by the First Amended and Restated Master Financing Agreement dated as of August 22, 2016 (as amended to date, and as the same may hereafter be amended, the “**Master Financing Agreement**”), setting forth certain covenants and agreements of the parties thereto as to the anticipated financing of the Project; (b) Exclusive Catering Agreement between the Developer and the City dated as September 22, 2015, as amended by the First Amended and Restated Exclusive Catering Agreement dated as of August 22, 2016 (as amended to date, and the same may hereafter be amended, the “**Exclusive Catering Agreement**”); and (c) Super-TIF Financing Agreement among the Original Redeveloper, the City, the Commission, and the Convention and Visitors Bureau of Greater Kansas City, Inc. d/b/a VisitKC dated as of September 22, 2015, as amended by the First Amended and Restated Super-TIF Financing Agreement dated as of August 22, 2016 (as amended to date, and the same may hereafter be amended, the “**Super-TIF Financing Agreement**”);

WHEREAS, the Original Redeveloper has assigned its rights as the redeveloper under the TIF Plan and the LCRA Plan, the Private Property Agreement, and all related Project documents, including the Master Financing Agreement, the Super-TIF Agreement, and the Exclusive Catering Agreement, to the Redeveloper;

WHEREAS, by its Resolution No. 10-2-16 dated October 17, 2016, the Authority approved the Redevelopment Agreement (“**Redevelopment Agreement**”) among the Authority, the TIF Commission, and the Redeveloper;

WHEREAS, by its Resolution No. 11-4-17, dated November 29, 2017, as amended by Resolution Nos. 1-1-18 and 1-2-18, dated January 5 and 9, 2018, respectively, the Authority authorized and approved certain actions and the execution and delivery of certain documents in connection with real estate and financing transactions to facilitate construction of the Project, including:

(a) the Taxable Project Revenue Bonds (Convention Center Hotel Project – CID Financing) Series 2018A and the Project Revenue Bonds (Convention Center Hotel Project - TIF Financing) Series 2018B) in the aggregate principal amount of \$123,805,000.00; and

(b)(i) the Lease Purchase Agreement and a Personal Property Lease with the CID, pursuant to which the Authority leases to the CID the Parking/Meeting Space Project Property and the personal property relating to the Parking/Meeting Space Project Property under the terms described therein, and (ii) the Lease Purchase Agreement and the Personal Property Lease pursuant to which the Authority leases to the Redeveloper the Hotel Tower Project Property and the personal property relating to the Hotel Tower Project Property as described therein under the terms described therein; and

(c) a loan (“**Senior Loan**”) in the maximum principal amount of \$110,000,000.00 from Wells Fargo Bank, National Association, and the other financial institutions now or hereafter party thereto (“**Lender**”); and

(d) the Redevelopment Agreement; and

(e) the Sale/Leaseback Redevelopment and Acquisition Funding Agreement among the Authority, the CID, and the Redeveloper, regarding, among other things, the Authority's acquisition and lease of the City Property and the Private Property, and other related documents and agreements relating to the Project, all in coordination with the Redeveloper, the City, and the TIF Commission;

WHEREAS, the referenced real estate and financing transactions closed on January 18, 2018, and construction commenced shortly thereafter; and

WHEREAS, the City issued its certificate of occupancy ("**Certificate of Occupancy**") for the Project on March 20, 2020, and the Project opened for business in the spring of 2020 as Loews Kansas City Hotel; and

WHEREAS, by letter ("**Notice of Completion**") dated March 24, 2021, the Redeveloper, as contemplated in Section 21 of the Redevelopment Agreement, notified the Authority and the TIF Commission that the City has issued its Certificate of Occupancy for the Project and that the Project is complete in accordance with the LCRA Plan, the TIF Plan, the Construction Plans (as defined in the Redevelopment Agreement), and the Redevelopment Agreement, and requested that the TIF Commission issue its Certificate of Completion and Compliance ("**Certificate of Completion and Compliance**") for the Project; and

WHEREAS, by its Resolution No. 9-1-21 dated September 22, 2021, the Authority approved the Certificate of Completion and Compliance. By its Resolution No. 9-26-21 dated September 24, 2021, the TIF Commission approved the Certificate of Completion and Compliance. The Certificate of Completion and Compliance was recorded on September 30, 2021, as Instrument No. 2021E0108075; and

WHEREAS, the Redeveloper has requested that the Authority approve an extension of the Senior Loan and the Authority desires to approving an extension of the Senior Loan.

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 is authorized to enter into the documents and agreements set forth on Exhibit A relating to the extension of the Senior Loan (collectively, the "**Loan Documents**"), on a non-recourse basis to the Authority. Each of such Loan Documents shall be upon such terms being acceptable to such officers and legal counsel, execution of such Loan Documents shall be conclusive evidence of the Authority's approval thereof.

Section 2. Each of the Chairman, Vice Chairman, and Executive Director is hereby authorized and directed to execute the Loan Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, for and on behalf of and as the act and deed of the Authority in substantially the form of such documents as presented to the Authority on this date, subject to such additions, changes, or deletions as such executing officer, upon the advice of legal counsel and financing consultants, may deem necessary or desirable and execution of such documents shall be conclusive evidence of such executing officer's approval thereof. Each of the Chairman, Vice

Chairman, and Executive Director is further authorized to execute such consents, waivers or approvals as contemplated in the Loan Documents and the documents referenced therein on behalf of the Authority as he or she, upon the advice of legal counsel and financing consultants, may deem necessary or desirable and in the best interests of the Authority and execution of such documents shall be conclusive evidence of such executing officer's approval thereof.

Section 3. The officers, agents and employees of the Authority are hereby authorized and directed to proceed with the preparation and execution of such documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 4. This Resolution shall take effect and be in full force immediately after its passage and approval by the Board of Commissioners of the Authority.

ADOPTED by the Land Clearance for Redevelopment Authority of Kansas City, Missouri this 30th day of November, 2021.

LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY OF THE CITY OF KANSAS CITY

By: _____
Rob Gardner, Chairman

ATTEST:

Daniel Moye, Secretary

Exhibit A

THE SENIOR LOAN DOCUMENTS

1. Amended and Restated Loan Agreement and Omnibus Amendment to Loan Documents by and among the Authority, KC Hotel Property Owner, LLC, Wells Fargo Bank, National Association (Administrative Agent), Financial Institutions Now or Hereafter Signatories Hereto and Their Assignees Pursuant to Section 13.13, and Wells Fargo Securities, LLC.
2. Estoppel Certificate (Intercreditor Agreement)
3. Extension Fee Letter