

RESOLUTION No. 7- -22

RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI APPROVING ESTOPPEL CERTIFICATE FOR THE BROOKSIDE EAST APARTMENTS PROJECT (ALSO KNOWN AS BLVD 64 APARTMENTS) IN THE 6434 PASEO URBAN RENEWAL AREA; 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 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. 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 (may also be known as 6410 Paseo (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 obtained a loan from Mutual of Omaha Bank (“Original Bank”) to construct the Project; and

WHEREAS, as part of the loan transaction, the Authority adopted Resolution No. 7-2-19 approving a collateral assignment of the Redevelopment Contract to the Original Bank; and

WHEREAS, the Project is complete and the Bond has been paid in full. The Lease has been terminated as evidenced by the Termination of Lease Agreement and Memorandum of Lease Agreement recorded on October 22, 2020, as Instrument No. 2020E0098404, and the Authority has conveyed title to the Project property back to the Redeveloper as evidenced by the Special Warranty Deed recorded on October 21, 2020, as Instrument No. 2020E0098263; and

WHEREAS, pursuant to the Redevelopment Contract, the Authority issued its Certificate of Qualification for Tax Abatement for the Project for the period starting as of January 1, 2020, and ending December 31, 2029, subject to and in accordance with the Contract; and

WHEREAS, the Redeveloper has advised the Authority that the Redeveloper is refinancing its loan for the Project and, as a condition to the loan refinancing, the Redeveloper’s new lender, Sunflower Bank, N.A. (“New Bank”), requested that the Authority sign the Estoppel Certificate attached to this Resolution as Exhibit A; and

WHEREAS, to facilitate the loan refinancing with the New Bank, the Authority desires to approve the Estoppel Certificate in substantially the form attached to this Resolution as Exhibit A.

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 Estoppel Certificate in substantially the form attached to this Resolution as Exhibit A is hereby approved.

Section 2. Each of the Chairman, Vice Chairperson and Executive Director is authorized and directed to execute and deliver the Estoppel Certificate for and on behalf of the Authority, and such officer’s execution of the Estoppel Certificate shall be conclusive evidence of their approval thereof.

Section 3. Each of the Chairman, Vice-Chairperson and Executive Director is authorized and directed to take all further action necessary to carry out the intent of this Resolution and to execute and deliver such other related documents as may be deemed necessary or desirable, upon the advice of legal counsel, and the execution of any such documents shall be conclusive evidence of such officer's approval thereof.

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 26th day of July, 2022.

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

By: _____
Rob Gardner, Chairman

ATTEST:

Dan Moye, Secretary

EXHIBIT A
Estoppel Certificate