

RESOLUTION NO. 6- -23

RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI AUTHORIZING THE ISSUANCE OF ITS TAXABLE INDUSTRIAL REVENUE BONDS (FORMER AT&T BUILDING MULTIFAMILY PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$70,000,000, TO PROVIDE FUNDS TO FINANCE CERTAIN PROJECT COSTS; AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.

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”), 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 is authorized and empowered under the LCRA Act and for the purposes set forth in the LCRA Act to issue revenue bonds for the purpose of providing funds to pay the costs of projects, and to lease or sell such projects to others upon such terms and conditions as the Authority shall deem advisable; and

WHEREAS, the Authority initially approved the Eastside Urban Renewal Plan on April 28, 1958, and determined that the portion of the City located within the Eastside Urban Renewal Area (“Urban Renewal Area”) described in the Urban Renewal Plan is blighted and insanitary, with a recommendation of approval by the City Council; and

WHEREAS, the City Council initially approved the Urban Renewal Plan by Ordinance No. 22763 passed on June 13, 1958, 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.

WHEREAS, by Resolution No. 3-2-22 dated March 22, 2022, the Authority selected WELL TBC Kansas City JV, LLC, a Delaware limited liability company (“Company”), as the redeveloper for the Project (as defined below) described in the Redevelopment Project Application to the Authority, and approved tax abatement at 75% for ten (10) years; and

WHEREAS, the Authority and the Company entered into the Redevelopment Contract (“Original Contract”) dated March 22, 2022, and recorded in the Office of the Recorder of Deeds of Jackson County, Missouri, as Instrument No. 2022E0049040, pursuant to which the parties set forth their respective rights and obligations with respect to the Project; and

WHEREAS, to address an increase in construction costs for the Project, the Company requested additional tax incentives for the Project; and

WHEREAS, pursuant to Section 99.450 of the LCRA Act, the Authority caused to be published two times in a newspaper having a general circulation in its area of operation a request for proposals for redevelopment contract proposals; and

WHEREAS, the Authority received no other redevelopment contract proposals to implement the Project; and

WHEREAS, by Resolution No. 3-3-23 dated March 28, 2023, the Authority approved additional tax incentives for the Project to include (i) a sales tax exemption on the purchase of construction materials for the

Project, and (ii) an extended tax abatement period for an additional five years for a total of 15 years (at 100% for years 1-10 and at 50% for years 11-15); and

WHEREAS, the Company submitted a timely proposal to the Authority to implement a project for the redevelopment and adaptive reuse of the 13-story, vacant, former AT&T office building located at 500 E. 8th Street as follows (i) approximately 265 apartment units (approximately 100 studio/one-bath units averaging 639 square feet, approximately 60 one-bedroom/one-bath units averaging 707 square feet, approximately 90 two-bedroom/one-bath units averaging 980 square feet, and approximately 15 two-bedroom/two-bedroom units averaging 980 square feet), (ii) fitness center, (iii) remote work center, (iv) lounge, (v) subgrade parking for 575 cars, and (vi) related improvements (“Project”) at the Property, which is generally bounded by Admiral Boulevard on the north, Cherry Street on the east, 8th Street on the south, and Locust Street on the west in Kansas City, Missouri (“Project Area”); and

WHEREAS, to implement the additional tax incentives, the Original Contract must be released and replaced with a new sale/leaseback redevelopment contract and related real estate and bond financing documents, and the Authority and the Company must enter into a sale/leaseback arrangement by which the Company will convey fee title to the Property to the Authority and the Authority lease the Property (land and improvements) to the Company; and

WHEREAS, the Company has requested that the Authority (i) issue its taxable industrial revenue bonds in a principal amount not to exceed \$70,000,000 to finance the Project, (ii) acquire the Project and related property upon which the Project is to be built and lease such property to the Company during the construction period for the Project, plus fifteen (15) years following completion of construction, (iii) grant a sales tax exemption incentive on construction materials to facilitate construction of the Project on behalf of the Authority, (iv) grant tax abatement to the Company, subject to completion of the Project, as provided in the Redevelopment Contract, and (v) transfer title to the Property back to the Redeveloper upon termination of the Lease, 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 Authority Documents (defined below); and

WHEREAS, the Authority desires to finance the costs of acquiring and constructing the Project by the issuance of its taxable industrial revenue bonds in one or more series under the LCRA Act in a principal amount not to exceed \$70,000,000 (the “Bonds”), said Bonds to be payable solely out of payments, revenues and receipts derived by the Authority pursuant to a lease agreement for the Project; and

WHEREAS, the Authority desires that the purchase and construction of the Project commence as soon as practicable.

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. Findings and Determinations. The Board of Commissioners of the Authority hereby finds and determines that issuance of the Bonds by the Authority to pay the costs of the Project will be in furtherance of the public purposes set forth in the LCRA Act. The Board authorizes a public sale of the Bonds in accordance with the LCRA Act and authorizes the Executive Director to accept the lowest and best bid for the purchase of the Bonds from the purchaser (the “Purchaser”).

Section 2. Authorization of the Bonds. In order to obtain funds to be used for the purposes aforesaid, the Authority is hereby authorized to issue the Bonds in an aggregate principal amount not to exceed \$70,000,000, which shall be issued under and secured by and shall have the terms and provisions set forth in the hereinafter referred to Indenture. The Bonds shall be sold at public sale in accordance with the LCRA Act. Each of the Chairman, Vice Chairman and Executive Director is authorized to accept the final terms of the Bonds and to award the Bond to the purchasers. The final terms of the Bonds shall be specified in the Indenture (defined herein), upon the execution thereof, and the signatures of the officers of the Authority executing the Indenture and Purchase Contract (defined herein) shall constitute conclusive evidence of their approval and the Authority's approval thereof. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of its Chairman, Vice Chairman or Executive Director and attested by the manual or facsimile signature of its Secretary or Assistant Secretary and shall have the corporate seal of the Authority affixed thereto or imprinted thereon.

Section 3. Limited Obligations. The Bonds shall be limited obligations of the Authority payable solely from the sources and in the manner as provided in the Indenture, and shall be secured by a pledge and assignment of and a grant of a security interest in the Trust Estate (as defined in the Indenture) to the Bond Trustee (herein defined) and in favor of the holders of the Bonds, as provided in the Indenture. The Bonds and interest thereon shall not be deemed to constitute a debt or liability of the State of Missouri (the "State"), the City or of any political subdivision thereof within the meaning of any State constitutional provision or statutory debt limitation or restriction and shall not constitute a pledge of the full faith and credit of the State, the City or of any political subdivision thereof, but shall be payable solely from the funds provided for in the Lease Agreement and the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. Neither the City nor the State shall be liable for the payment of the principal of, redemption premium, if any, or interest on the Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Authority.

Section 4. Authorization and Approval of Documents. The following documents are hereby approved in substantially the forms presented to and reviewed by the Authority at this meeting and attached to this Resolution (copies of which documents shall be filed in the records of the Authority), and the Authority is hereby authorized to execute and deliver each of such documents (the "Authority Documents") with such changes therein as shall be approved by the officers of the Authority executing such documents, such officers' signatures thereon being conclusive evidence of their approval and the Authority's approval thereof:

(a) Trust Indenture (the "Indenture") between the Authority and the trustee named therein, as corporate trustee (the "Bond Trustee"), dated the date set forth therein, providing for the issuance thereunder of the Bonds and setting forth the terms and provisions applicable to the Bonds, including a pledge and assignment by the Authority of the Trust Estate to the Bond Trustee for the benefit and security of the owners of the Bonds upon the terms and conditions as set forth in the Indenture.

(b) Lease Agreement (the "Lease Agreement"), between the Authority and the Company, dated as of the date set forth therein, under which the Authority will make the proceeds from the sale of the Bonds available to the Company for the purposes herein described in consideration of payments which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds as set forth in the Lease Agreement.

(c) Bond Purchase Agreement (the “Purchase Contract”), among the Authority, the Company and the Purchaser, under which the Authority agrees to sell the Bonds to the Purchaser upon the terms and conditions as set forth in the Purchase Contract.

(d) Sale/Leaseback and Redevelopment Contract (“Redevelopment Contract”), between the Authority and the Company dated as of the date set forth therein under which the Company will implement the Project and the Authority will provide certain assistance and incentives to facilitate the Project.

Section 5. Execution of Bonds and Authority Documents. Each of the Chairman, the Vice Chairman and the Executive Director of the Authority is hereby authorized and directed to execute the Bonds by manual or facsimile signature and to deliver the Bonds to the Bond Trustee for authentication for and on behalf of and as the act and deed of the Authority in the manner provided in the Indenture. Each of the Chairman, the Vice Chairman and the Executive Director of the Authority is hereby authorized and directed to execute and deliver the Authority Documents for and on behalf of and as the act and deed of the Authority. The Secretary, Assistant Secretary, or other officer of the Authority is hereby authorized and directed to attest to the Bonds by manual or facsimile signature, to the Authority Documents and to such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 6. Limited Liability. Any provision hereof to the contrary notwithstanding, nothing herein contained shall be construed to impose a charge against the general credit of the Authority or to impose any pecuniary liability upon the Authority except with respect to the proper application of the proceeds to be derived by the Authority from the sale of the Bonds and of the revenues and receipts to be derived by the Authority from any financing, leasing or sale of the Project. Nothing herein shall be deemed to restrict the Authority or the State of Missouri or any agency or any political subdivision thereof in determining the order or priority of the issuance of bonds by the Authority or to require the Authority to give the Bonds priority as to issuance or as to the time of issuance over any other bonds previously or subsequently approved by the Authority for issue.

Section 7. Further Authority. Counsel to the Authority, together with the officers and employees of the Authority, are hereby authorized to work with the purchaser or purchasers of the Bonds, their respective counsel and others, to prepare for submission to and final action by the Authority all documents necessary to effect the authorization, issuance and sale of the Bonds. The officers, agents and employees of the Authority are hereby authorized and directed to take such further actions contemplated hereunder in connection with the financing of the Project, and to execute and deliver such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, including, without limitation, documents required by the Company’s lender (such as a deed of trust encumbering the Project and related property and other financing documents), and to carry out, comply with and perform the duties of the Authority with respect to the Bonds and the Authority Documents, the signatures of the officers and employees of the Authority executing such documents, upon the advice of legal counsel, shall constitute conclusive evidence of their approval and the Authority’s approval thereof. The Executive Director is hereby authorized to publish notice of public sale and any further notices for the Bonds and the Project in accordance with the LCRA Act and any actions previously taken by the Executive Director regarding the same is hereby ratified and approved.

Section 8. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Board of Commissioners of the Land Clearance for Redevelopment Authority of Kansas City, Missouri.

ADOPTED by the Board of Commissioners this 27th day of June, 2023.

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

By: _____
Rob Gardner, Chairman

ATTEST:

Daniel Moye, Secretary