

RESOLUTION No. 8- -23

A RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI, (1) SELECTING MONTE ROSA LLC (OR A CONTROLLED AFFILIATE) AS THE REDEVELOPER; AND (2) APPROVING A SALE/LEASEBACK TRANSACTION TO IMPLEMENT CERTAIN TAX INCENTIVES TO FACILITATE A MIXED-USED PROJECT LOCATED AT 1319 WYANDOTTE STREET AND 108 W. 14TH STREET WITHIN THE CENTRAL BUSINESS DISTRICT URBAN RENEWAL AREA; AND AUTHORIZING FURTHER ACTION RELATED THERETO.

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 (“City”) on November 21, 1952; and

WHEREAS, the Authority, on November 25, 1968, initially found the Central Business District Urban Renewal Area (the “Urban Renewal Area”) is a blighted area and in need of redevelopment and is appropriate for an urban renewal project and approved the Central Business District Urban Renewal Plan, as subsequently amended (the “Urban Renewal Plan”); and

WHEREAS, the City Council initially approved the Urban Renewal Plan by Ordinance No. 36287 passed on January 17, 1969, the purpose of which is to eliminate and prevent the spread, development and recurrence of the blighted conditions within the Urban Renewal Area; and

WHEREAS, the Authority issued a Request for Proposals for the acquisition and construction of an approximately 27-story building containing approximately 690,000 square feet to include (i) approximately 300 apartment units, (ii) approximately 200 hotel rooms, (iii) ground floor retail space, (iv) structured parking, and (v) related improvements located at 1319 Wyandotte Street and 108 W. 14th Street (collectively, the “Project”); and

WHEREAS, the Project is located at the property (the “Property”) legally described on the attached Exhibit A and depicted on the map attached as Exhibit B; 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, Monte Rosa LLC, a Missouri limited liability company (“Redeveloper”), an affiliate of LuxLiving LLC, a Missouri limited liability company, submitted a redevelopment project application to the Authority and requested certain incentives to facilitate the Project; and

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

WHEREAS, the Authority desires to select the Redeveloper as the redeveloper to implement the Project and to approve incentives for the Project, subject to the terms and conditions of a sale/leaseback redevelopment contract and other agreements with the Redeveloper and the Tax Increment Financing Commission of Kansas City, Missouri (“TIF Commission”).

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. After evaluation of the redevelopment project application submitted to the Authority, the Authority hereby selects the Redeveloper (or a controlled affiliate) as the redeveloper for the Project.

Section 2. After evaluation of the Redeveloper’s request for incentives, the financial analysis prepared by SB Friedman Development Advisors, the testimony of interested parties, and the Authority’s staff recommendation, the Authority hereby approves the following Authority incentives for the Project, all for the purpose of eliminating blighting conditions found to exist in the Urban Renewal Area in accordance with the LCRA Law, subject to completion of the Project in accordance with the sale/leaseback and redevelopment contract and further subject to the terms and conditions of the Project financing documents to be negotiated and executed in furtherance of the Project:

- (a) provide a sales tax exemption certificate for the purchase of construction materials for the Project (STECM);
- (b) acquire the Property and related improvements and lease the Property and related improvements to the Redeveloper during the construction period to implement STECM, subject to a payment in lieu of taxes (PILOT) during the construction period and to such conditions or limitations as the Authority and the Redeveloper may negotiate;
- (c) lease the Property and related improvements to the Redeveloper during the tax abatement period to implement abatement of real property taxes (above pre-improvement real property taxes) at 80% for Years 1-10 and at 50% for Years 11-17 and a payment in lieu of taxes (PILOTs) during the 17-year abatement period, subject to such conditions or limitations as the Authority and the Redeveloper may negotiate;
- (d) issue an industrial development bond necessary or incidental to the Project or to the granting and implementation of approved incentives, including preparation, negotiation, and implementation of all related contracts and documents;
- (e) coordinate with the TIF Commission regarding negotiation, documentation, and implementation of approved Authority and TIF Commission tax incentives;

- (f) cooperate with the Redeveloper in the formation of a community improvement district; and
- (g) such other services necessary or desirable to facilitate the Project.

Section 3. Each of the Chairman, Vice-Chairman and Executive Director, together with the staff and legal counsel of the Authority, is authorized and directed to draft and negotiate such redevelopment agreements, sale/leaseback agreements, bond financing documents, and such other agreements or documents as deemed necessary or desirable to implement the approved Authority incentives and the approved TIF Commission incentives for the Project. The Project documents must be submitted to the Board of Commissioners for approval at a later meeting.

Section 4. Each of the Chairman, Vice-Chairman and Executive Director is authorized and directed to take all further action necessary to carry out the intent of this Resolution, but not limited to, notifying the City of the Authority’s intent to enter into a redevelopment contract with the Redeveloper detailing the rights and obligations of the parties thereto for the construction and development of the Project.

Section 5. 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 4th day of August, 2023.

LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY OF THE CITY OF KANSAS CITY

[SEAL]

By: _____
Rob Gardner, Chairman

ATTEST:

Daniel Moye, Secretary

Exhibit A

Tract 1:

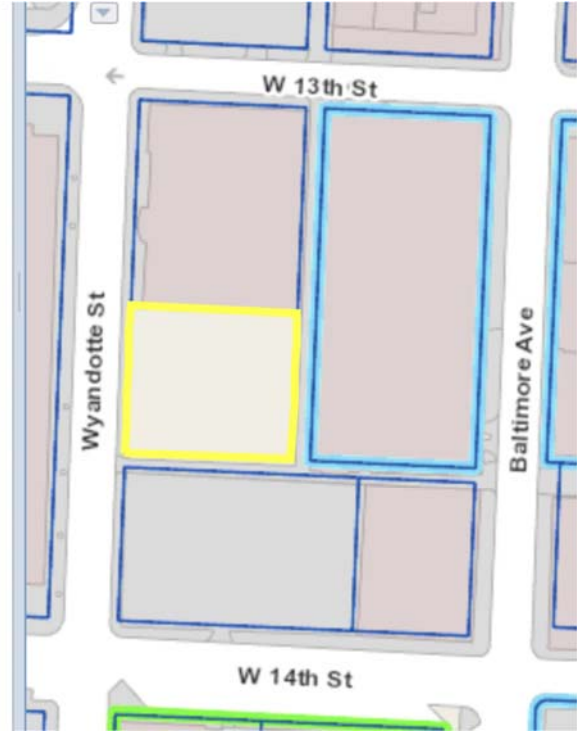
1319 Wyandotte Street – Lots 25 thru 29, inclusive, Block 7, REIDS ADDITION, a subdivision in Kansas City, Jackson County, according to the recorded plat thereof.

Tract 2:

108 W. 14th Street - LOTS 5 THRU 12, inclusive, Block F, 2nd RESURVEY OF REIDS ADDITION, a subdivision in Kansas City, Jackson County, according to the recorded plat thereof.

Exhibit B

Tract:	
Owner:	Red Oak Capital Fund II LLC 625 Kenmoor Ave SE Ste 200 Grand Rapids, MI 49546
Address:	1319 Wyandotte St View all addresses (1)
Zip code:	64105 311 Cases
Council District:	4th
Trash Day:	Monday (Central)
Neighborhood & Homes Associations	
Patrol Division:	Central
Show Special Assessments	
Census Neighborhood:	CBD Downtown
School District:	KANSAS CITY MISSOURI 110
Park District:	Central



Block:	
Tract:	
Owner:	Red Oak Capital Fund II LLC 625 Kenmoor Ave SE Ste 200 Grand Rapids, MI 49546
Address:	108 W 14th St View all addresses (3)
Zip code:	64105 311 Cases
Council District:	4th
Trash Day:	Monday (Central)
Neighborhood & Homes Associations	
Patrol Division:	Central
Show Special Assessments	
Census	CBD Downtown

