

RESOLUTION No. 11- -23

A RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI, (1) SELECTING LCKC LADD DEVELOPMENT PARTNERS, LLC (OR A CONTROLLED AFFILIATE) AS THE REDEVELOPER; (2) APPROVING REAL PROPERTY TAX ABATEMENT; AND (3) APPROVING A REDEVELOPMENT CONTRACT WITH LCKC LADD DEVELOPMENT PARTNERS, LLC (OR A CONTROLLED AFFILIATE) FOR THE PROJECT LOCATED AT 3640 BENTON BOULEVARD WITHIN THE OAK PARK 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 City Council initially approved the Oak Park Urban Renewal Plan by Resolution No. 36285, dated January 1, 1969, with respect to the eligibility of the Oak Park Urban Renewal Area (as then described) for urban renewal treatment, by Ordinance No. 36827, passed January 17, 1969, approving the general urban renewal plan for the Oak Park Urban Renewal Area (as then described); and by Ordinance No. 39874, passed July 16, 1971, approving a definitive plan for the Oak Park Urban Renewal Area by Ordinance No. 39874 passed on July 16, 1971, as the Oak Park Urban Renewal Area and the Oak Park Urban Renewal Plan have been subsequently amended and modified, the purpose of which is to eliminate and prevent the spread, development and recurrence of the blighted and insanitary conditions within the Oak Park Urban Renewal Area; and

WHEREAS, the Authority has approved the Urban Renewal Plan and determined that the portion of the City located within the Urban Renewal Area described in the Urban Renewal Plan is blighted and insanitary; and

WHEREAS, the Authority issued a Request for Proposals for the acquisition and the historic rehabilitation of the former Ladd Elementary School building and the construction of one or more new mixed-use buildings located 3640 Benton Boulevard for adaptive reuse and conversion to a mixed-use development to include (a) a total of approximately 75 apartment units, including approximately 27 units on the upper two floors of the school building and approximately 48 units in newly constructed three-story buildings with studio, one-bedroom, and two bedroom options), (b) planned commercial space on the first floor of the school building, (c) planned event/meeting space in the gym and the auditorium of the school building, (d) an approximately 5,000 to 7,000 square foot newly constructed commercial building, (e) parking improvements, (f) outdoor community space, and (g) related improvements (the “Project”). The Project will be subject to state and federal historic rehabilitation standards and requirements; 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, LCKC Ladd Development Partners, LLC, a Missouri limited liability company (“Redeveloper”), submitted a redevelopment project application to the Authority to implement the Project and requested certain incentives to facilitate the Project; and

WHEREAS, the Redeveloper acquired the Property from Kansas City Public Schools District, which conveyed the Property to the Redeveloper subject to: (i) the Property Use Restriction Agreement dated March 29, 2022, and recorded as Instrument No. 2022E0029918; (ii) the Benefits Agreement dated March 29, 2022, and recorded as Instrument No. 2022E0029919, and (iii) the Right to Repurchase Agreement dated March 29, 2023, and recorded as Instrument No. 2022E0029920 (collectively, the “School District Restrictions”); 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 between the Authority and the Redeveloper.

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, subject to the School District Restrictions.

Section 2. After evaluation of the Redeveloper’s request for incentives, 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) sales tax exemption on construction materials (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 such conditions or limitations as the Authority and the Redeveloper may negotiate;

- (c) retain ownership of the Property and related improvements and lease the Property and related improvements to the Redeveloper during the following tax abatement period to implement abatement of real property taxes (above pre-improvement real property taxes) for: (i) fifteen (15) years (at 100% during years 1-10 and at 50% during years 11-15); and (ii) an additional five (5) years (at 50% during years 16-20), subject to a “look back” assessment obtained and funded by the Redeveloper during year 14 analyzing the past (3) years and concluding that the additional incentive period is warranted, subject to such PILOT payments, conditions, or limitations as the Authority and the Redeveloper may negotiate. If the “look back” assessment concludes that the additional five (5)-year abatement period is warranted, then the abatement period will expire twenty (20) years after construction is complete. If the “look back” assessment concludes that the additional five (5)-year abatement period is not warranted, then the abatement period will expire fifteen (15) years after construction is complete;
- (d) obtain conventional mortgage financing or issuance of bonds necessary or incidental to the Project or to the granting and implementation of requested incentives, including preparation, negotiation, and implementation of all related contracts and documents; and
- (e) such other services necessary or desirable to undertake 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 Authority 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 21st day of November, 2023.

LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY OF THE CITY OF KANSAS CITY

[SEAL]

By: _____
Tammy Henderson, Chair

ATTEST:

Daniel Moye, Secretary

Exhibit A

3640 Benton Boulevard (31-320-12-17-00-0-00-000)

Lots 1-15, ZURN ADDITION, a subdivision in Kansas City, Missouri, according to the recorded plat thereof, and a tract of land described as follows: Beginning at a point 30 feet North of the South line and 60 feet West of the East line of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 22, Township 49, Range 33 (said point being the intersection of 37th Street and Walrond Boulevard), thence North 375 feet, thence West 263 feet to Bellefontaine Avenue, thence South 375 feet to a point 30 feet North of the South line of said Section 22, thence East 263 feet to the point of beginning.

Exhibit B

