

RESOLUTION No. 4-2-26

A RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI, (1) SELECTED EXACT 1044 LLC (OR CONTROLLED AFFILIATE) AS THE REDEVELOPER; (2) APPROVED A SALES TAX EXEMPTION ON THE PURCHASE OF CONSTRUCTION MATERIALS AND PROPERTY TAX ABATEMENT FOR THE REHABILITATION OF THE HISTORIC BUILDING AT 1044 MAIN STREET AND ADJACENT PARKING GARAGE AT 1031 MAIN STREET; AND (3) AUTHORIZED STAFF AND LEGAL COUNSEL TO PREPARE THE NECESSARY SALE/LEASEBACK DOCUMENTS FOR THE PROJECT LOCATED 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 project area is located within the boundary of the Central Business District Urban Renewal Area and the urban renewal area has been declared blighted by the Authority and the City Council pursuant to Section 99.320-430, RSMo, as amended; and

WHEREAS, the Authority initially approved the Central Business District Urban Renewal Plan (“Urban Renewal Plan”) on November 25, 1968, and determined that the portion of the City located within the Central Business District 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 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 and insanitary conditions within the Urban Renewal Area; and

WHEREAS, the Authority issued a Request for Proposals for the acquisition, renovation, and construction of (1) the historic, 11-story building located at 1044 Main Street for conversion from office to approximately 74 apartment units on the upper floors and commercial space on the ground floor and mezzanine level; (2) the adjacent, approximately 52-space parking garage at 1031 Main Street; and (3) related improvements (collectively, the “Project”); and

WHEREAS, the Project is located at the property (the “Property”) depicted on the map attached as Exhibit A; 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, Exact 1044 LLC, a Missouri limited liability company (“Redeveloper”) submitted a redevelopment project application to the Authority to implement the Project, which is estimated to cost approximately \$27.5 million, 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 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.

Section 2. After evaluation of the Redeveloper’s request for incentives, the independent financial analysis dated April 10, 2026, as prepared by SB Friedman, the testimony of the Redeveloper and other 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 the purchase of 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 **[and the tax abatement period]**, subject to such conditions or limitations as the Authority and the Redeveloper may negotiate;
- (c) abatement of real property taxes (above predevelopment real property taxes) for **[twenty (20) years at 75% for Years 1-10 and at 37.5% for Years 11-20]** and a payment in lieu of taxes (PILOTs) requirement for the construction period and the tax abatement period pursuant to the Redevelopment Contract, subject to such conditions or limitations as the Authority and the Redeveloper may negotiate;
- (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 23rd day of April, 2026.

LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY OF THE CITY OF KANSAS CITY

[SEAL]

By: _____
Chad Grittman, Chairman

ATTEST:

Daniel Moye, Secretary

Exhibit A

