LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY
OF KANSAS CITY, MISSOURI

<u>RESOLUTION NO. 8-02-26</u>

RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI AUTHORIZING THE ISSUANCE OF ITS TAXABLE INDUSTRIAL REVENUE BONDS (COLUMBUS PARK TOWNHOME PROJECT) IN AN MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $50,000,000 FOR ALL FOUR PHASES OF THE PROJECT TO PROVIDE FUNDS TO FINANCE CERTAIN PROJECT COSTS; AUTHORIZING ASSIGNMENT OF DEVELOPMENT RIGHTS; 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 Columbus Park Urban Renewal Plan ("Urban Renewal Plan") on November 25, 1968, as most recently amended by the Sixth Amendment to the Urban Renewal Plan approved by Resolution No. 11-02-07 dated November 28, 2007, and determined that the portion of the City located within the Columbus Park 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, as most recently amended by the Sixth Amendment to the Urban Renewal Plan approved by its Ordinance No. 080089 dated February 21, 2008, 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, pursuant to Section 99.450 of the LCRA Act, the Authority issued and published a Request for Redevelopment Contract Proposals for the implementation of a redevelopment project for certain real property within the Urban Renewal Area generally bounded by 3rd Street on the north, Campbell Street on the east, 5th Street on the south, and Cherry Street on the west (the "Project Area"); and

WHEREAS, Polar Dev LLC, a Missouri limited liability company (the "Redeveloper"), submitted a redevelopment contract proposal (the "Proposal") to implement a redevelopment project within the Project Area consisting of acquisition and construction of a total of approximately 76 for-sale single-family townhome units in four (4) phases (each a "Phase") and related improvements in Kansas City, Missouri (the "Project"). The Proposal is on file at the office of the Authority and, by reference, incorporated herein; and

WHEREAS, the Project is located at the property (the "Property") commonly known as 401 Cherry Street (Phase One), 808 E. 5th Street (Phase Two), 880 E. 4th Street (Phase Three), and 700-708 E. 5th Street (Phase Four), all as legally described on the attached Exhibit A; and

WHEREAS, the Authority received no other redevelopment contract proposals to implement the Project and the Authority selected the Redeveloper as the redeveloper for the Project by its Resolution No. 1-03-26 dated January 22, 2026, and also approved a sales tax exemption on the purchase of construction materials (STECM) for each phase of the Project; and

WHEREAS, the Redeveloper did not request, and the Authority did not approve, tax abatement for the Project for the reason that the City Council by Ordinance No. 250892 dated October 23, 2025, approved the Columbus Park Tax Increment Financing Plan ("TIF Plan") to facilitate construction of the Project (and a separate single-family housing project also in the Urban Renewal Area) and related site remediation, public infrastructure, and development costs. Article VIII of the TIF Plan contemplates that the incentives for the Project will include a sales tax exemption certificate issued by the Authority for the purchase of construction materials for the Project and each Phase corresponds with a Redevelopment Project Area as defined in the TIF Plan; and

WHEREAS, the Authority and the Redeveloper entered into the Funding Agreement dated as of ______________, 2026, pursuant to which the Redeveloper agreed to pay for fees and expenses of the Authority in connection with the Project; and

WHEREAS, the Redeveloper has requested that the Authority (i) issue its taxable industrial revenue bonds in an maximum aggregate principal amount not to exceed $50,000,000 to finance all four Phases of the Project, (ii) acquire the Project and related property upon which the Project is to be built and lease the Property, together with the Project improvements to be constructed, to the Redeveloper for a term to match the Project's construction period for each Phase with required payments-in-lieu-of taxes as provided in greater detail in the Redevelopment Contract (defined below), (iii) grant a sales tax exemption incentive on construction materials to facilitate construction of each Phase of the Project on behalf of the Authority, and (iv) transfer title to the Property for each Phase, together the Project improvements as constructed for each Phase, to the Redeveloper upon expiration of the lease for the applicable Phase, 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 Redeveloper has formed or intends to form a single-asset entity to undertake Phase One of the Project. Polar CP1 LLC, a Missouri limited liability company ("Phase One Redeveloper"), is a controlled affiliate of the Redeveloper and will be the borrower under the construction loan with Emprise Bank to finance the Phase One improvements; 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 (or Subseries as provided in the Indenture (as defined below)) under the LCRA Act in a principal amount not to exceed an maximum aggregate amount of $50,000,000 for all four Phases of the Project (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; Assignment. The Board of Commissioners of the Authority hereby finds and determines that issuance of the Bonds (and any Subseries) 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"). The Board of Commissioners hereby assigns development rights under the Redevelopment Contract to the Phase One Redeveloper.

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 maximum principal amount not to exceed $50,000,000 for all four Phases of the Project, which shall be issued under and secured by and shall have the terms and provisions set forth in the hereinafter referred to Indenture. As provided in the Indenture, a Subseries of the Bonds may be issued to correspond with each Phase of the Project. 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 (and any Subseries) 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 any Subseries) 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 and the Indenture. The issuance of the Bonds, including any Subseries, 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, including any Subseries, 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 (Phase One) (the "Lease"), between the Authority and the Phase One Redeveloper, dated as of the date set forth therein, under which the Authority will lease the Property for Phase One, together with Project improvements to be constructed for Phase One, to the Phase One Redeveloper and make the proceeds from the sale of the Bonds available to the Redeveloper 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. The Authority and the Redeveloper anticipate that they (or a controlled affiliate of the Redeveloper) will enter into a separate Lease Agreement for each subsequent Phase of the Project.

(c) Bond Purchase Agreement (Phase One) (the "Purchase Contract"), among the Authority, the Phase One Redeveloper and the Purchaser, under which the Authority agrees to sell the Bonds for Phase One of the Project to the Purchaser upon the terms and conditions as set forth in the Purchase Contract. The Authority and the Redeveloper anticipate that they (or a controlled affiliate of the Redeveloper) will enter into a separate Purchase Contract for each subsequent Phase of the Project.

(d) Sale/Leaseback and Redevelopment Contract ("Redevelopment Contract"), between the Authority and the Redeveloper dated as of the date set forth therein under which the Redeveloper 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 (and any Subseries) by manual or facsimile signature and to deliver the Bonds (and any Subseries) 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, including any Subseries, 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, including any Subseries, 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 (and any Subseries), 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 (and any Subseries). 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 Redeveloper's lender (such as a deed of trust encumbering the Project and related property and other financing documents), , including the Phase One Redeveloper's lender and any other controlled affiliate of the Redeveloper for subsequent Phase, and to carry out, comply with and perform the duties of the Authority with respect to the Bonds (and any Subseries) 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 any Subseries) 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 on August 27, 2026.

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI

By: ___________________________________
Chad Grittman, Chairman

ATTEST:

____
Daniel Moye, Secretary

Exhibit A

<u>Phase One</u>:
Lot 1, Block 1, COLUMBUS PARK PHASE 1, a subdivision in Kansas City, Jackson County, Missouri.

<u>Phase Two</u>:
Lot 1, Block 4, COLUMBUS PARK PHASE 1, a subdivision in Kansas City, Jackson County, Missouri.

<u>Phase Three</u>:
Lot 2, Block 5, COLUMBUS PARK PHASE 1, a subdivision in Kansas City, Jackson County, Missouri.

All that part of Tract B, COLUMBUS PARK PHASE 1, a subdivision in Kansas City, Jackson County, Missouri, described as follows: Beginning at the Southwesterly corner of Lot 2, Block 5, said COLUMBUS PARK PHASE 1; thence North 75 degrees 47 minutes 38 seconds East, along the Northerly line of said Tract B, 150.16 feet, to the Easterly line of said Tract B; thence South 14 degrees 37 minutes 00 seconds East, along said Easterly line, 4.89 feet; thence continuing along the Easterly and Southeasterly lines of said Tract B on a curve to the right with a radius of 15.00 feet and a central angle of 90 degrees 24 minutes 38 seconds, an arc distance of 23.67 feet; thence South 75 degrees 47 minutes 38 seconds West, along the Southerly line of said Tract B, 135.07 feet, to the Southerly prolongation of the Westerly line of said Lot 2; thence North 14 degrees 34 minutes 22 seconds West, along said Southerly prolongation, 20.00 feet, to the point of beginning, known as Tract B2 on Certificate of Survey filed 08/05/2015 as Document No. 2015E0070325.

<u>Phase Four</u>:
Tract I:
All that part of Lots 4, 5 and 6, Block 53, EAST KANSAS, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof, described as follows:

Beginning on the North line of 5th Street, 47-1/3 feet Easterly from the Southwest corner of Lot 6, Block 53 of said EAST KANSAS; thence Easterly along the North line of 5th Street, 47-1/3 feet; thence at right angles and Northwesterly 140 feet; thence at right angles and Southwesterly 94-2/3 feet to the East line of Holmes Street; Thence Southeasterly along the East Line of Holmes Street 12 Feet; thence Northeasterly and parallel to the North line of 5th Street, 47-1/3 feet; thence Southeasterly 128 feet to the Point of Beginning. EXCEPT the South 2 feet of the West 47 1/3 feet of the North 22 feet of Lot 4, Block 53, EAST KANSAS, a subdivision in Kansas City, Jackson County, Missouri.

Tract II:
The West 47 1/3 feet of the South 30 feet of Lot 4 and the West 47 1/3 feet of Lots 5 and 6, Block 53, EAST KANSAS, a subdivision in Kansas City, Jackson County, Missouri.

Tract III:
The East 47 1/3 feet of the South 40 feet of Lot 4 and the East 47 1/3 feet of Lots 5 and 6, Block 53, EAST KANSAS, a subdivision in Kansas City, Jackson County, Missouri