

**RESOLUTION No. 8-4-26**

**A RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI, (1) SELECTED MERAK DEVELOPMENT, LLC (OR DESIGNATED SINGLE ASSET ENTITY) AS THE REDEVELOPER; (2) APPROVED A SALES TAX EXEMPTION ON CONSTRUCTION MATERIALS AND PROPERTY TAX ABATEMENT AT 100% FOR 15 YEARS AND A SALES TAX EXEMPTION ON CONSTRUCTION MATERIALS FOR THE GRAND ON BEACON HILL AFFORDABLE HOUSING PROJECT; AND (3) AUTHORIZED STAFF AND LEGAL COUNSEL TO PREPARE THE NECESSARY SALE/LEASEBACK DOCUMENTS WITH TAG DEVELOPMENT LLC (OR CONTROLLED AFFILIATE) FOR THE PROJECT LOCATED WITHIN THE EAST KANSAS CITY AND OAK PARK URBAN RENEWAL AREAS 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 by its Resolution No. 5-1-23 dated May 2, 2023, found the East Kansas City Urban Renewal Area (“Urban Renewal Area”) is a blighted area and in need of redevelopment and is appropriate for an urban renewal project and approved the East Kansas City Urban Renewal Plan (“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, with a recommendation of approval by the City Council; and

**WHEREAS**, the City Council, by Ordinance No. 230556 dated June 29, 2023 approved the Urban Renewal Plan, 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**, 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 for the preservation and rehabilitation of the historic building located at 2625 W. Paseo Boulevard within the redevelopment project area to develop forty seven (47) affordable apartment units and related improvements within the area generally bounded by 26<sup>th</sup> Street on the north, The Paseo on the east, 27<sup>th</sup> Street on the south, and West Paseo Boulevard on the west (“Project”); and

**WHEREAS**, the Project is located at the property (the “Property”) depicted on the map attached as Exhibit A; and

**WHEREAS**, Merak Development 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 \$13.25 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 its designated single asset entity) as the redeveloper for the Project.

**Section 2.** After evaluation of the Redeveloper's request for incentives, 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, 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 fifteen (15) years at 100% for Years 1-15 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 27<sup>th</sup> day of August, 2026.

LAND CLEARANCE FOR REDEVELOPMENT  
AUTHORITY OF THE CITY OF KANSAS CITY

[SEAL]

By: \_\_\_\_\_  
Chad Grittman, Chairman

ATTEST:

\_\_\_\_\_  
Daniel Moye, Secretary

## Exhibit A

