

AN ORDINANCE APPROVING THIRD AMENDMENT TO MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF NORTH KANSAS CITY, MISSOURI AND NORTH KANSAS CITY DESTINATION DEVELOPERS, LLC REGARDING THE ARMOUR ROAD REDEVELOPMENT AREA.

WHEREAS, the City of North Kansas City, Missouri (the “City”) is a body corporate, a third class city and political subdivision of the State of Missouri, duly created, organized and validly existing under and by virtue of the Constitution and laws of the State of Missouri; and

WHEREAS, by the passage of Ordinance No. 8820 on May 17, 2016, the City authorized and approved a certain Master Development Agreement between the City and North Kansas City Destination Developers, LLC (the “Developer”) affecting, in part, certain real property identified as the Armour Road Redevelopment Area; and

WHEREAS, the City subsequently approved the First Amendment to Master Development Agreement (the “First Amendment”) by passage of Ordinance No. 8975 on April 4, 2017, and thereafter, the City approved the Second Amendment to Master Development Agreement (the “Second Amendment”) by passage of Ordinance No. 9080 on April 4, 2018 [the Master Development Agreement, the First Amendment and the Second Amendment shall be collectively referred to in this ordinance as the “Development Agreement”]; and

WHEREAS, the parties have agreed to amend the Development Agreement with respect to the following: (a) extending the Project Component deadline for the Apartment Component and the Hotel Component to December 31, 2018, (b) adding an additional source of funding project financing to Section 5.01; (c) clearing up certain language in Section 5.02 with respect to Financing Plans, and (d) adding a new paragraph C to Section 5.03 all as described more fully in the Third Amendment to the Master Development Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH KANSAS CITY, MISSOURI, AS FOLLOWS:

Section 1. **Approving Third Amendment to Master Development Agreement.** The City Council does hereby find and determine that it is in the best interest of the City and its citizens to approve the Third Amendment to Master Development Agreement (the “Third Amendment”) affecting property within the Armour Road Redevelopment Area. A copy of the Third Amendment is attached hereto, marked “Exhibit 1” and is incorporated herein by reference. The Mayor, City Clerk and City Counselor are hereby authorized and directed to execute the Third Amendment on behalf of the City. The provisions of the Third Amendment are hereby approved by the City Council of the City of North Kansas City, Missouri.

Section 2. **Further Authority.** The City shall, and the mayor, city clerk, legal counsel, city officials and employees of the City are hereby authorized and directed to take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

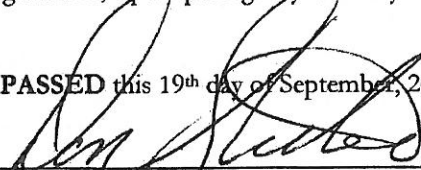
Section 3. **Severability.** The sections, paragraphs, sentences, clauses, and phrases of this Ordinance shall be severable. In the event that any such section, paragraph, sentence, clause, or

phrase of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining portions of this Ordinance are valid, unless the court finds the valid portions of this Ordinance are so essential to and inseparably connected with and dependent upon the void portion that it cannot be presumed that the City has enacted the valid portions without the void ones, or unless the court finds that the valid portions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 4. Governing Law. This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

Section 5. Effective Date. This Ordinance shall be in full force and effect, after compliance with all governing laws, rules, and regulations, upon passage by the City Council and approval by the Mayor.

PASSED this 19th day of September, 2018.



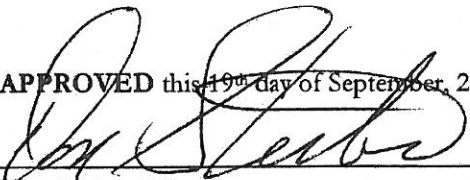
Don Stielow, Mayor

ATTEST:



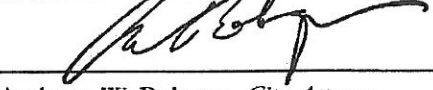
Crystal Doss, City Clerk

APPROVED this 19th day of September, 2018.



Don Stielow, Mayor

APPROVED AS TO FORM:



Anthony W. Bologna, City Attorney



Thomas E. Barzee, Jr., City Counselor

EXHIBIT "1"

THIRD AMENDMENT TO MASTER DEVELOPMENT AGREEMENT

THIS THIRD AMENDMENT TO MASTER DEVELOPMENT AGREEMENT (this "Amendment") is entered into this 26th day of September, 2018, by and between the CITY OF NORTH KANSAS CITY, MISSOURI, a municipal corporation duly organized under the laws of the State of Missouri (the "City"), and NORTH KANSAS CITY DESTINATION DEVELOPERS, LLC, a Missouri limited liability company (the "Developer"), with Developer and the City each referred to herein as a "Party" and collectively the "Parties."

WHEREAS, the Parties entered into a certain Master Development Agreement dated as of May 17, 2016, as amended by that certain First Amendment to Master Development Agreement dated April 4, 2017, as further amended by that certain Second Amendment to Master Development Agreement dated April 4, 2018 (as amended, the "Development Agreement"), which memorialized certain rights and obligations of each Party in relation to the development of a mixed use development in the City limits, more particularly described therein and referenced herein as the "Project".

WHEREAS, capitalized terms not otherwise defined or redefined herein shall have the same meaning as provided in the Development Agreement.

WHEREAS, the Parties desire to amend the Development Agreement for the purpose of extending the term set forth therein for entering into a Component Development Agreement with certain Component Developers.

NOW THEREFORE, for mutual consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Project Component Extension. The first sentence of Section 3.06(A) is hereby replaced in its entirety by the following:

"On or before December 31, 2018, Developer shall enter into a Component Development Agreement with a Component Developer for each of the Hotel and Apartment Project Components."

2. Sources of Funding Project Financing. Section 5.01 is hereby amended to add the following subsection:

"H. Property Assessment Clean Energy Act, RSMo §§ 67.2800 – 67.2835."

3. Financing Plan. Section 5.02 is hereby amended and restated in its entirety to read as follows:

"5.02 Financing Plans. Within one hundred twenty (120) days after the Effective Date, Developer, City staff, and George K. Baum & Company or another financial consultant selected by the City will prepare a joint financing plan for the Project (such financing plan, as it may hereafter be amended from time to time, the "Financing Plan"). The Financing Plan shall apply to potential Incentives generated by each Project Component to the extent any Incentives are unique to any particular Project Component and, otherwise, all of the Property, including that portion labeled tract E on the Concept Plan, but excluding that portion labeled tract A. City staff shall cooperate with Developer to prepare each Incentive requested by Developer and upon completion of the Financing Plan, work with the Developer, the Governing Body, and, if applicable, a third party, to implement the Financing Plan. City staff shall support the Incentives

requested in the Financing Plan when presented to the applicable approving party. The Financing Plan is estimated to require a net present value of approximately Fifty-Two Million and 00/100 Dollars (\$52,000,000.00) for Developer to fully execute the Concept Plan. Upon completion of the Financing Plan, Developer and City staff shall cooperate to apply for each Incentive in the Financing Plan and, if and upon approval of the Governing Body or applicable third party, the Financing Plan shall be binding upon the City to provide to the Developer the Incentive Revenues set forth in the Financing Plan. The Financing Plan will require an expenditure ratio of approximately 67% private capital and 33% public financing. Such ratio will apply to the aggregate of all Project costs, as opposed to the application to each individual Project Component or portion in the Project. In the event a Financing Plan is not agreed to and approved in writing within six (6) months after the Effective Date, either Developer or City may terminate this Agreement and neither party shall have any further obligations hereunder.”

4. Developer Project Budget. Section 5.03 is hereby amended to add the following subsection:

“C. In the event of amendment to the Financing Plan the Project Budget may be amended to reflect updated uses of Incentive Revenues or proceeds of the Bonds to finance any Eligible Cost.”

5. No Modification. Except as specifically modified by this Amendment, each and every other term and condition of the Development Agreement shall remain unchanged and in full force and effect without modification.

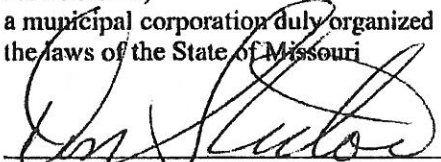
6. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute one and the same instrument. Each Party may rely upon electronic mail counterparts of this Amendment signed by the other Party with the same effect as if such Party had received an original counterpart signed by such other Party.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the City and the Developer have duly executed this Amendment pursuant to all requisite authorizations as of the date first above written.



CITY OF NORTH KANSAS CITY,
MISSOURI,
a municipal corporation duly organized under
the laws of the State of Missouri



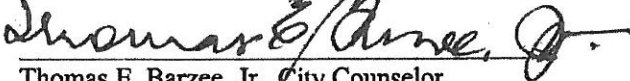
Don Stielow, Mayor

ATTEST:



Crystal Doss, City Clerk


APPROVED AS TO FORM:



Thomas E. Barzee, Jr., City Counselor

DEVELOPER:

**NORTH KANSAS CITY DESTINATION
DEVELOPERS, LLC,**
a Missouri limited liability company

By: 

Name: Rick Worner

Title: Manager