

ORDINANCE NO. 120792

Amending Committee Substitute for Ordinance No. 110910 which authorized the issuance of taxable industrial revenue bonds in a maximum aggregate principal amount not to exceed \$200,000,000.00 by repealing Sections 2, 3, 4, 5 and 6 and enacting in their place new Sections 2, 3, 4, 5, and 6; authorizing issuance of such bonds for Plaza Vista LLC (formerly known as VA West Properties, LLC) and Polsinelli Shughart PC, for the purpose of constructing, equipping, and furnishing an office building and hotel located at 4840 Roanoke Parkway; and authorizing and approving certain other documents.

WHEREAS, the City of Kansas City, Missouri, a constitutional charter city and municipal corporation of the State of Missouri (the “City”) is authorized pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, as amended, and Sections 100.010 to 100.200, inclusive, of the Revised Statutes of Missouri, as amended, and the City of Kansas City Charter (collectively, the “Act”), to issue its revenue bonds for carrying out a project or projects under the Act, such revenue bonds to be paid solely from revenue received from such project, and to enter into a lease of the facilities financed with the proceeds of such revenue bonds with any person, firm or corporation; and

WHEREAS, pursuant to Committee Substitute for Ordinance No. 110910 (the “Prior Ordinance”), the City previously authorized and approved, among other things, an Industrial Development Plan (the “Plan”) for the purpose of carrying out a development project (the “Project”) for VA West Properties, LLC, a Development Agreement (the “Development Agreement”) for the purpose of setting forth covenants, agreements and obligations of the City and VA West Properties, LLC, the issuance of the City’s Taxable Industrial Revenue Bonds (West Edge Project) (the “Chapter 100 Bonds”) in a maximum aggregate principal amount not to exceed \$200,000,000 for the purpose of furthering the Project to be located at 4840 Roanoke Parkway, Kansas City, Missouri (the “Project Site”), the lease of the Project to VA West Properties, LLC, with an option to purchase, and the waiver of certain components of the City’s Chapter 100 bond issuance policy in order to carry out the Project and incent the Polsinelli Shughart law firm to keep its national headquarters in Kansas City, Missouri; and

WHEREAS, notice of the Project was given to the taxing jurisdictions in accordance with Section 100.059.1 of the Revised Statutes of Missouri; and

WHEREAS, VA West Properties, LLC, which has now filed with the Missouri Secretary of State an amendment to its Articles of Organization changing its name to Plaza Vista, LLC (the “Company”), has advised the City that the Company and Polsinelli Shughart PC (“Polsinelli”) have agreed that Polsinelli should be the lessee of certain of the personal property constituting a portion of the Project (the “Polsinelli Portion of the Project”) and that the Company should be the lessee of the real property and certain other of the personal property constituting a portion of the Project (the “Company Portion of the Project”); and

WHEREAS, the Company has further advised the City that the Missouri Department of Economic Development has indicated that in order for Polsinelli to be

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eligible for certain economic development incentives in connection with the lease by the City to Polsinelli of the Polsinelli Portion of the Project, that there must be a partial assignment by the Company to Polsinelli of the Development Agreement to the extent that it pertains to the Polsinelli Portion of the Project; and

WHEREAS, neither the nature of the Project nor the maximum aggregate principal amount of Chapter 100 Bonds issued for the Project will change as a result of such separation of property that will be leased to the Company and to Polsinelli or such partial assignment of the Development Agreement, however, such separation of leased property will require that there be two series of Chapter 100 Bonds issued to finance the portions of the Project subject to the separate leases; and

WHEREAS, the City wishes to amend the Prior Ordinance to provide for the issuance of two series of Chapter 100 Bonds in a maximum aggregate principal amount not to exceed \$200,000,000.00 to finance the applicable portions of the Projects and related documents and matters, those being the City's Taxable Industrial Revenue Bonds (Plaza Vista, LLC Project) (the "Plaza Vista Bonds") to finance the Company Portion of the Project, which shall be located at the Project Site and leased by the City to the Company with an option to purchase, and the City's Taxable Industrial Revenue Bonds (Polsinelli Shughart PC Project) (the "Polsinelli Bonds" and with the Plaza Vista Bonds, the "Bonds") to finance the Polsinelli Portion of the Project, which shall be located at the Project Site and leased by the City to Polsinelli with an option to purchase, and to approve the partial assignment of the Development Agreement by the Company to Polsinelli to the extent that it pertains to the Polsinelli Portion of the Project; and

WHEREAS, the City further finds and determines that it is necessary and desirable in connection with the Project and the issuance of the Bonds that the City enter into certain documents, and that the City take certain other actions and approve the execution of certain other documents as herein provided; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. Amendment of Committee Substitute for Ordinance No. 110910. That Committee Substitute for Ordinance No. 110910 is hereby amended by repealing Sections 2, 3, 4, 5 and 6 and enacting new Sections 2, 3, 4, 5 and 6 in their place to read as follows:

Section 2. Authorization of City Documents.

- (a) Authorization of City-Plaza Vista Documents. In connection with the issuance of the Plaza Vista Bonds, the City is hereby authorized to enter into the following documents (the "City-Plaza Vista Documents"), in such form as shall be approved by the officials of the City executing such documents, such officials' signatures thereon being conclusive evidence of their approval thereof:
 - (i) Trust Indenture (the "Plaza Vista Indenture"), between the City and the trustee named therein (the "Trustee"), pursuant

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to which the Plaza Vista Bonds shall be issued and the City shall pledge the Company Portion of the Project and assign certain of the payments, revenues and receipts received pursuant to the Plaza Vista Lease to the Trustee for the benefit and security of the owners of the Plaza Vista Bonds upon the terms and conditions as set forth in the Plaza Vista Indenture.

- (ii) Lease Agreement (the “Plaza Vista Lease”), between the City and the Company, under which the City will acquire the Company Portion of the Project and lease the Company Portion of the Project to the Company pursuant to the terms and conditions in said Plaza Vista Lease, in consideration of rental payments by the Company which will be sufficient to pay the principal of, premium, if any, and interest on the Plaza Vista Bonds.
 - (iii) Bond Purchase Agreement relating to the purchase by the Company of the Plaza Vista Bonds.
- (b) Authorization of City-Polsinelli Documents. In connection with the issuance of the Polsinelli Bonds, the City is hereby authorized to enter into the following documents (the “City-Polsinelli Documents” and with the City-Plaza Vista Documents, the “City Documents”), in such form as shall be approved by the officials of the City executing such documents, such officials’ signatures thereon being conclusive evidence of their approval thereof:
- (i) Trust Indenture (the “Polsinelli Indenture”), between the City and the Trustee, pursuant to which the Polsinelli Bonds shall be issued and the City shall pledge the Polsinelli Portion of the Project and assign certain of the payments, revenues and receipts received pursuant to the Polsinelli Lease to the Trustee for the benefit and security of the owners of the Polsinelli Bonds upon the terms and conditions as set forth in the Polsinelli Indenture.
 - (ii) Lease Agreement (the “Polsinelli Lease”), between the City and Polsinelli, under which the City will acquire the Polsinelli Portion of the Project and lease the Polsinelli Portion of the Project to Polsinelli pursuant to the terms and conditions in said Polsinelli Lease, in consideration of rental payments by Polsinelli which will be sufficient to pay the principal of, premium, if any, and interest on the Polsinelli Bonds.
 - (iii) Bond Purchase Agreement relating to the purchase by Polsinelli of the Polsinelli Bonds.

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Section 3. Authorization of the Bonds. The City is hereby authorized to issue and sell its Plaza Vista Bonds and its Polsinelli Bonds in a maximum aggregate principal amount not to exceed \$200,000,000.00, for the purpose of providing funds to pay the costs of the Project. Each series of Bonds shall be issued and secured pursuant to the applicable herein-authorized Indenture and shall bear such date, shall mature at such time, shall be in such denominations, shall bear interest at such rates, shall be in such form, shall be subject to redemption and other terms and conditions, and shall be issued in such manner, subject to such provisions, covenants and agreements, as are set forth in the applicable Indenture.

Section 4. Sale and Terms of Bonds; Authorization and Execution of Bond Purchase Agreement. The Plaza Vista Bonds will be sold to the Company under the terms of a Bond Purchase Agreement between the City and the Company (the "Plaza Vista Purchase Agreement"). The Polsinelli Bonds will be sold to Polsinelli under the terms of a Bond Purchase Agreement between the City and Polsinelli (the "Polsinelli Purchase Agreement"). The maximum aggregate principal amount of the Bonds shall be \$200,000,000.00, with the respective principal amount of each of the Plaza Vista Bonds and Polsinelli Bonds to be set forth in its respective Purchase Agreement and Indenture. The interest rate on each series of the Bonds shall not exceed 5.00%, principal on each series of the Bonds shall be payable at maturity, the maturity date of each series of the Bonds shall be no later than December 1, in the year twenty-five years subsequent to the advance, each series of the Bonds shall be purchased at 100% of the principal amount thereof and each series of the Bonds may be redeemed at any time at a redemption price equal to the principal amount thereof plus accrued interest. The Director of Finance or the City Treasurer is each authorized to execute each Purchase Agreement for and on behalf of and as the act and deed of the City.

Section 5. Limitation on Liability. Each series of the Bonds and the interest thereon shall be limited obligations of the City payable solely out of certain payments, revenues and receipts derived by the City from the applicable Lease, and such payments, revenues and receipts shall be pledged and assigned to the Trustee as security for the payment of such Bonds as provided in the applicable Indenture. The Bonds and the interest thereon shall not constitute general obligations of the City or the State of Missouri. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and are not payable in any manner by taxation.

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Section 6. Creation of Bond Funds.

- (a) The City is hereby authorized to establish with the Trustee pursuant to the Plaza Vista Indenture, a special trust fund in the name of the City to be designated the “City of Kansas City, Missouri, Bond Fund – Plaza Vista Project” and the City shall cause all sums required by the Plaza Vista Indenture to be deposited therein and shall create all accounts therein required by the Plaza Vista Indenture.
- (b) The City is hereby authorized to establish with the Trustee pursuant to the Polsinelli Indenture, a special trust fund in the name of the City to be designated the “City of Kansas City, Missouri, Bond Fund – Polsinelli Project” and the City shall cause all sums required by the Polsinelli Indenture to be deposited therein and shall create all accounts therein required by the Polsinelli Indenture.

Section 2. Authorization of Partial Assignment of Development Agreement. The City hereby authorizes the partial assignment of the Development Agreement by the Company to Polsinelli to the extent that it pertains to the Polsinelli Portion of the Project.

Section 3. Execution of Documents. The Mayor is hereby authorized and directed to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the City in the manner provided in the Indentures. The Director of Finance is hereby authorized and directed to execute the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, for and on behalf of and as the act and deed of the City. The City Clerk, or a deputy City Clerk, of the City is hereby authorized and directed to attest to and affix the seal of the City to the Bonds and the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 4. Further Authority. The Mayor, Director of Finance and other officials, agents and employees of the City as required, 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 and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents.

Approved as to form and legality:

Sarah Baxter
Assistant City Attorney