

CHAPTER 353 BOARD MEETING

AGENDA

DATE: October 23, 2019
TIME: 8:30 a.m.
PLACE: 300 Wyandotte, 2nd Floor
Kansas City, Missouri

1. **Roll Call.**
2. **Administrative** - *Review and approval of Meeting Minutes for November 28, 2018 (Ex. 2)*

ACTION RECOMMENDED: APPROVAL OF THE MINUTES FOR NOVEMBER 28, 2018
AS PRESENTED

3. **Beacon Hill Redevelopment Area** – *Discussion of Amendment to Beacon Hill 353 Plan*
(Representatives of City and Redeveloper)

On August 1, 2000, Redeveloper and the Housing and Economic Development Financial Corporation (“**HEDFC**”) entered into a Predevelopment Services Agreement (the “**2000 Predevelopment Agreement**”) wherein Redeveloper agreed to undertake various predevelopment activities in Beacon Hill, and HEDFC, the majority owner of Beacon Hill.

On November 30, 2001, the City approved the original Beacon Hill Redevelopment Plan for the Beacon Hill Redevelopment Area, an approximately 94-acre project. On June 3, 2002, the Beacon Hill Redevelopment Corporation (the “Redeveloper”) entered into a contract with the City (the “**Original 353 Contract**”) to implement the Original 353 Plan. The Original 353 Contract contemplated that the Redeveloper would service as a master developer to implement the redevelopment projects of property owners in the Redevelopment Area, pursuant to the execution of parcel development agreements.

By 2004, Redeveloper had completed many of the predevelopment activities contemplated by the 2000 Predevelopment Agreement with HEDFC and the Original 353 Plan. Shortly thereafter, HEDFC was placed into a federal receivership under Order dated May 16, 2005, by the United States District Court for the Western District of Missouri, Western Division (the “**Court**”), Case No. 05-00368-CV-W-GAF.

As a part of the receivership, the City imposed, and required HEDFC to impose, restrictive covenants upon the Redevelopment Area, to require implementation of the Original 353 Plan. In 2009, the Redeveloper proposed an amendment and restatement of the Original 353 Plan to allow for the development of workforce house by the Housing Authority of Kansas City, Missouri. The 2009 amendment and restatement also recognized the impediments the receivership created, and modified the phasing schedule to tie it to a period following the termination of the receivership. On September 10, 2009,

the City adopted Ordinance No. 090770 to renew the blight determination of the Redevelopment Area and extend the phasing schedule.

On April 1, 2013, the City of Kansas City, Missouri entered into a 10-Year Memorandum of Agreement (the “MOA”) with the Department of Housing and Urban Development (“HUD”). The City’s execution of the MOA was a requirement for ending the federal court’s receivership of HEDFC.

The MOA requires the City to complete various urban housing projects and activities, until the MOA expires in 2023 or later, if HUD determines that additional time is needed to perform the obligations under the MOA. The locus of many of those requirements is the “Greater Downtown Strategy Area” which includes, specifically by name, the neighborhood which is the subject of the Beacon Hill Chapter 353 Redevelopment Plan.

Since 2013, in furtherance of the MOA, the City has worked with various public agencies, the Redeveloper and private developers, to implement the Beacon Hill 353 Plan, so the City could demonstrate progress toward achieving the performance measures and milestones delineated in the MOA. The ability to leverage the tools available from the Beacon Hill 353 Plan has been key to the City’s success.

In 2014, the amended and restated redevelopment plan was again amended to allow for the development of a student housing facility by the University of Missouri-Kansas City. In 2017, the most recent amendment, the 353-redevelopment plan was amended to allow for the construction of a 93-room limited service hotel and amenities. In addition, throughout the duration of the Beacon Hill Redevelopment project, the City Council has approved urban redevelopment district rezoning and plats, and various lot reconfigurations and density changes have been administratively approved by the Director of City Planning and Development. As in 2001, the Redeveloper, pursuant to numerous service contracts, continues to act merely as a master service provider to the City, in connection with plan implementation.

The HUD MOA requires that the City continue to implement the Beacon Hill Redevelopment Plan, at least until 2023, and perhaps longer, if HUD determines the MOA has not been fully performed. If the Beacon Hill Redevelopment Plan were to expire, the City’s redevelopment efforts could be hampered which, in turn, could give rise to questions about its performance under the MOA. Because of the material legal implications to the City if the Beacon Hill 353 Plan expires before the MOA is complete, the City has proposed an amendment to the existing plan, solely to extend the expiration date, so that its expiration date corresponds with the expiration of the MOA.

ACTION RECOMMENDED: NONE; FOR INFORMATIONAL PURPOSES ONLY

4. **Administrative** – *Executive Director’s Report* (Dan Moye) (**Ex. 4**)

ACTION RECOMMENDED: NONE; DISCUSSION PURPOSES ONLY

EXECUTIVE SESSION

5. Consideration of legal or real estate matters, pursuant to Section 610.021(1), RSMo, in closed session, if necessary. (Chair)

ADJOURN

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