
**LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY
BOARD MEETING AGENDA**

DATE: February 24, 2021
TIME: 9:30 a.m.
PLACE: 300 Wyandotte, 4th Floor
Kansas City, Missouri

VIA VIDEO CONFERENCE

Meeting ID: 948 6670 9706

To Join Online: <https://zoom.us/j/94866709706>

To Join by Phone: 1-312-626-6799

1. **Roll Call.**
2. **Administrative** - *Review and approval of Meeting Minutes for January 27, 2021 (Ex. 2)*

*ACTION RECOMMENDED: APPROVAL OF THE MINUTES FOR JANUARY 27, 2021,
AS PRESENTED*
3. **Financial** - *Review and acceptance of the Financial Reports for January, 2021 (Lee Brown) (Ex. 3)*

*ACTION RECOMMENDED: ACCEPTANCE OF THE FINANCIAL REPORT FOR
JANUARY, 2021, AS PRESENTED*
4. **E. 23rd Street Urban Renewal Area – 1600 Jackson** – *Project Status Update and Consideration of Supplemental Agreement (Dan Moye/Brian Engel) (Ex. 4A-4B)*

LCRA entered into a Sale/Leaseback and Redevelopment Contract with Agent Kensington, LLC in 2003 for the acquisition and rehabilitation of the Kensington Heights apartment tower, located at 1600 Jackson Avenue in the E. 23rd Street URA, as affordable housing. On July 27, 2016, LCRA approved the selection of Kensington Heights MO, LLC as the successor “Redeveloper” for the 126 – unit Kensington Heights apartment tower, now known as Gabriel Tower, for continued use as affordable housing. Millenia Housing controls Kensington Heights MO, LLC. An affiliated entity, Millennia Housing Management, Ltd. serves as the management company for this property. A building inspection occurred on November 19, 2020. The inspection team included, among others, New Horizons, LLC (selected by LCRA to perform a mold sampling assessment), Healthy Home inspectors from the City Health Department, property manager representatives, and tenant representatives. LCRA issued a Notice of an Event Default dated December 16, 2020, to the Redeveloper, subject to applicable cure periods.

On January 27, 2021, LCRA authorized negotiation of an agreement with the Redeveloper regarding a planned project refinancing and major rehabilitation of the building in conjunction with a transfer of title to the property from LCRA to the Redeveloper, which transfer would terminate the real property tax exemption for the project.

ACTION RECOMMENDED: APPROVE SUPPLEMENTAL AGREEMENT WITH KENSINGTON HEIGHTS MO, LLC, SUBJECT TO REVIEW OF FINAL TERMS BY EXECUTIVE DIRECTOR AND LEGAL COUNSEL.

5. **Indian Mound Lykins URA – Property Donation Program** - *Consider Application for 522 Drury Avenue (Brian Engel) (Ex. 5A-5C)*

In April 2017, the LCRA formally approved the property donation program and policy. Legal Aid has submitted an application for property located at 522 Drury Avenue on behalf of Indian Mound Neighborhood Association, as the applicant. The neighborhood association has contracted with a rehabber to rehabilitate the property for use as a single-family house. The property is currently owned and occupied by Christina Farber. Under past ownership, the property has a history of tax foreclosures and municipal code violations dating back to 2007. The property is still subject to over \$8,000 in delinquent property taxes and delinquent city special assessments. LCRA ownership of the property will cancel delinquent special assessments and property taxes and facilitate rehabilitation of the property at a cost of approximately \$50,000. Funding for the rehabilitation is to be provided by Westside Housing and Jerusalem Farm, Inc.

In compliance with program requirements, 522 Drury Avenue is located within the Indian Mound Urban Renewal Area. A copy of the application and related documents are included in the board packet.

ACTION RECOMMENDED: APPROVE IMPLEMENTATION OF PROPERTY DONATION PROGRAM AND POLICY FOR ACQUISITION OF PROPERTY LOCATED AT 522 DRURY AVENUE FOR THE PURPOSE OF CLEARING DELINQUENT PROPERTY TAXES AND SPECIAL ASSESSMENTS, SUBJECT TO PRIOR CONFIRMATION OF TAXING JURISDICTIONS OF PROCEDURE TO CANCEL PAST DUE SPECIAL ASSESSMENTS AND PROPERTY TAXES.

6. **Linwood-Prospect URA – Linwood Square Shopping Center** - *Consideration of Non-Disturbance and Attornment Agreement (Brian Engel) (Ex. 6A-6B)*

LCRA owns the property known as the Linwood Square Shopping Center generally located on the east side of Prospect Avenue between E. 30th Street on the north and E. Linwood Boulevard on the south. LCRA leases the land to Linwood Center Redevelopment Company, LLC (“Developer”), a Missouri limited liability company, pursuant to the Ground Lease and the Redevelopment Contract (each dated February 14, 1992), which LCRA assigned to the Developer, and the Developer assumed, by the

Assignment, Assumption and Amendment of Ground Lease and Redevelopment Contract dated January 31, 2017.

The Developer has secured financing to move forward with its rehabilitation of the shopping center. As part of the project, the Developer seeks to enter into a sublease with Project Title, LLC, dba Archwell Health and is requesting that LCRA approve a Non-Disturbance and Attornment Agreement among LCRA, the Developer and Archwell Health.

ACTION RECOMMENDED: APPROVE NON-DISTURBANCE AND ATTORNMENT AGREEMENT.

7. **Central Business District Urban Renewal Area - 106 West 11th Street (Mark Twain Building)** - *Consideration of Project Completion Extension in the Redevelopment Contract with KCAC Developers, LLC (Bob Long) (Ex. 7A-7B)*

Area Description: The Project is located on the northwest corner of Baltimore and 11th Street at 106 W. 11th Street.

Project Description: The applicant is KCAC Developers, LLC.

The project is an approximately \$50 million redevelopment of the historic Mark Twain Tower. The development is converting the former office tower into 222 apartments, along with 18,000 square feet of ground floor retail.

In December 2018, the Authority previously approved a Redevelopment Contract for this project. That contract, which was not fully executed until December 2019, called for completion of the project by February 28, 2021. Unfortunately, while environmental remediation work has been completed, the project is unable to meet this completion deadline due to the COVID-19 pandemic and its impacts on the availability of construction financing and the construction environment. In consultation with the developer, staff recommends approval of an eighteen (18) month extension to the project completion deadline, which would move the completion deadline to October 31, 2022.

ACTION RECOMMENDED: APPROVAL OF AN EIGHTEEN (18) MONTH PROJECT COMPLETION DEADLINE EXTENSION TO THE REDEVELOPMENT CONTRACT WITH KCAC DEVELOPERS, LLC FOR THE MARK TWAIN MIXED-USE PROJECT AT 106 W. 11TH STREET IN THE CENTRAL BUSINESS DISTRICT URBAN RENEWAL AREA.

8. **Garfield URA –2600 – 2618 Independence Avenue** – *Consideration of Approval of Completion Extension in Redevelopment Contract with BA Properties, LLC (Bob Long) (Ex. 8A-8B)*

Area Description: The Garfield Urban Renewal Area is an area generally bound by Kessler Park on the north, Chestnut Avenue on the east, Independence Boulevard/Avenue

on the south, and Paseo Boulevard on the west. The Project site consists of two parcels (2600 and 2618 Independence) on the northeast corner of Independence and Prospect Avenues.

Project Description: BA Properties, LLC is the owner of the property.

The applicant's project is a \$3,270,245 redevelopment of a vacant site into a 20,583 square foot, two-story, mixed-use project. There will be approximately 10,887 square feet of commercial space, divided into seven double-fronted storefronts, along with 15 one-bedroom apartments on the second floor. Off-street parking with 55 parking spaces will be provided on the north side of the building. The apartment rental rate of \$1 per square foot results in all 15 of the units meeting the City's definition of affordable housing. The project will feature a seating area for the memorial honoring the two firefighters who lost their lives battling an arson fire at this site.

In December 2019, the Authority previously approved a ten (10) year 100% tax abatement and Redevelopment Contract for this project. That contract called for completion of the project by February 28, 2021. Unfortunately, while construction is well underway, the project is unable to meet this completion deadline due to the COVID-19 pandemic and its impacts on construction projects. In consultation with the developer, staff recommends approval of a six (6) month extension to the project completion deadline, which would move the completion deadline to October 31, 2021.

ACTION RECOMMENDED: APPROVAL OF A SIX (6) MONTH PROJECT COMPLETION DEADLINE EXTENSION TO THE REDEVELOPMENT CONTRACT WITH BA PROPERTIES, LLC FOR THE 2600 - 2602 INDEPENDENCE AVENUE MIXED-USE PROJECT IN THE GARFIELD URBAN RENEWAL AREA.

9. **18th & Holmes Urban Renewal Area** – *Consideration of Termination of the Urban Renewal Plan* (Bob Long)

The 18th & Holmes Urban Renewal Plan was approved by Ordinance No. 060545 by the City Council on June 8, 2006 with a fifteen-year (15) term. The Plan Area consists of two parcels, 706 E. 18th Street and 701 E. 18th Street, on the northeast and southeast corners, respectively, of E. 18th Street and Holmes Street, in the eastern portion of the Crossroads.

The Plan's proponent was Linda Winters, who also owned Priority Printing, which occupied a portion of the first floor of the two-story commercial building at 706 E. 18th Street. The Plan called for the renovation and expansion of the commercial building to include two additional floors of residential units, as well as the construction of live/work townhouses on the surface parking lot at 701 E. 18th Street. A Redevelopment Agreement was approved, but, unfortunately, these projects never materialized. No tax abatement was issued. Ms. Winters has recently passed away. These properties are now located within the East Crossroads Urban Renewal Area, so they would remain eligible for tax abatement with an approved project.

If the Authority approves the proposed Termination, the City Council is expected to consider an ordinance terminating the 18th & Holmes Urban Renewal Plan.

ACTION RECOMMENDED: APPROVE THE TERMINATION TO THE 18TH & HOLMES URBAN RENEWAL PLAN AND FORWARDING THE RECOMMENDATION TO CITY COUNCIL.

10. **2537 Madison Avenue Urban Renewal Area** – *Consideration of Termination of the Urban Renewal Plan (Bob Long)*

The 2537 Madison Avenue Urban Renewal Plan was approved by Ordinance No. 060754 by the City Council on August 3, 2006 with a fifteen-year (15) term. The Plan Area consists of a single property known as the Needle Building, 2537 Madison Avenue, in the central portion of the Westside neighborhood.

Once known as the Needle Building, the one-story commercial building had fallen into disrepair and was vacant. The Authority approved a Redevelopment Contract and property tax abatement for the project. A & F Real Estate, the Plan's proponent, acquired and rehabilitated the building for use by Drug Free Sport, an affiliated small business. That project has been completed and the tax abatement has expired.

If the Authority approves the proposed Termination, the City Council is expected to consider an ordinance terminating the 2537 Madison Avenue Urban Renewal Plan.

ACTION RECOMMENDED: APPROVE THE TERMINATION TO THE 2537 MADISON AVENUE URBAN RENEWAL PLAN AND FORWARDING THE RECOMMENDATION TO CITY COUNCIL.

11. **Dutch Hill Apartment Urban Renewal Area** – *Consideration of Termination of the Urban Renewal Plan (Bob Long)*

The Dutch Hill Apartments Urban Renewal Plan was approved by Ordinance No. 060753 by the City Council on August 3, 2006 with a fifteen-year (15) term. The Plan Area consists of three parcels near the corner of E. 29th Street and Campbell Street, in the Longfellow neighborhood.

The three historic, three-story, colonnade apartments building had fallen into disrepair and were largely vacant. Dutch Hill Partners, LLC, the Plan's proponent, acquired and rehabilitated the buildings for continued use as apartments. The project was completed and the tax abatement has since expired.

If the Authority approves the proposed Termination, the City Council is expected to consider an ordinance terminating the Dutch Hill Apartments Urban Renewal Plan.

ACTION RECOMMENDED: APPROVE THE TERMINATION TO THE DUTCH HILL APARTMENTS URBAN RENEWAL PLAN AND FORWARDING THE RECOMMENDATION TO CITY COUNCIL.

12. **Westport & Mill Urban Renewal Area** – *Consideration of Termination of the Urban Renewal Plan* (Bob Long)

The Westport & Mill Urban Renewal Plan was approved by Ordinance No. 961498 by the City Council on December 19, 1996 with a twenty-five-year (25) term. The Plan Area consists of four parcels, in an area bound by Westport Road, Mill Street, W. 43rd Street, and Bridger Road, in the Westport neighborhood.

DST Realty, Inc., the Plan’s proponent, rehabilitated the existing industrial building for continued use. The World Market store at 535 Westport Road has also been developed. The City has also constructed a fire station on one parcel. Both commercial projects were completed and any tax abatement issued has since expired.

If the Authority approves the proposed Termination, the City Council is expected to consider an ordinance terminating the Westport & Mill Urban Renewal Plan.

ACTION RECOMMENDED: APPROVE THE TERMINATION TO THE WESTPORT & MILL URBAN RENEWAL PLAN AND FORWARDING THE RECOMMENDATION TO CITY COUNCIL.

13. **Administrative.**

a. **Executive Director’s Report** - *Active Projects Tracking System Report* (Dan Moye) (Ex. 13A-1)

- **Martin City URA – Multifamily Project - 13501 Holmes Road** – *Updated Preliminary Financial Review – Phase I* (Dan Moye) (Ex. 13A-2)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

- **Central Business District URA – Hyatt House Hotel Project** – *Mechanic’s Lien Lawsuit* (Dan Moye/Brian Engel)

ACTION RECOMMENDED: AUTHORIZE LCRA TO FILE A RESPONSIVE PLEADING, AND OTHER APPROPRIATE MOTIONS OR FILINGS, IN THE CASE, SUBJECT TO REVIEW BY EXECUTIVE DIRECTOR AND LEGAL COUNSEL.

- **Administrative** - *Discussion regarding requirement for prevailing wage on projects approved for tax incentives. Informational only* (Dan Moye)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

b. **Affirmative Action Report** (Sandra Rayford) (Ex. 13B)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

c. **Tax Abatements** – There were eight (8) tax abatements approved in January, 2021.

URA	Address	Applicant	Category	Type
21st & Montgall	1936 Montgall	Ali Parker	S/f Residential	Rehab
21st & Montgall	2016 Montgall	Robert McKay	S/f Residential	Rehab
Columbus Park	554 Harrison	Jennifer Phegley	S/f Residential	Rehab
Hospital Hill II	2556 Charlotte	Christopher & Mindy Meyer	S/f Residential	Rehab
Hospital Hill II	2625 Charlotte	Christopher & Deborah Zaroor	S/f Residential	Rehab
Marlborough CC	8449 Wayne	Marlborough Comm. Land Trust	S/f Residential	Rehab
Marlborough CC	1418 E 77 th Terrace	Jason & Nancy Phelps	S/f Residential	Rehab
Oak Park	3204 Highland	Carol Tabron	S/f Residential	Rehab

EXECUTIVE SESSION

14. *Consideration of legal, real estate and personnel issues, and other matters related thereto, pursuant to Sections 610.021(1)(2)(3) RSMo.*

RESUME BUSINESS SESSION

15. **Adjourn.**