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LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY BOARD  
VIDEO-CONFERENCE MEETING

**DATE:** June 23, 2021  
**TIME:** 9:30 a.m.  
**PLACE:** 300 Wyandotte, 4<sup>th</sup> Floor  
Kansas City, Missouri

**To Join Online:** [878 0077 3011](tel:87800773011)  
**To Join by Phone:** 1-312-626-6799  
**Meeting ID:** 878 0077 3011  
**Passcode:** 673969

**AGENDA**

1. **Roll Call.**
2. **Administrative** - *Review and approval of Meeting Minutes for May 26, 2021 (Ex. 2)*  

*ACTION RECOMMENDED:* APPROVAL OF THE MINUTES FOR MAY 26, 2021, AS PRESENTED
3. **Financial** - *Review and acceptance of the Financial Report for May, 2021 (Lee Brown) (Ex. 3)*  

*ACTION RECOMMENDED:* ACCEPTANCE OF THE FINANCIAL REPORT FOR MAY, 2021, AS PRESENTED
4. **Woodland URA – Sam Rodgers Place** – *Consideration of Approval of Redevelopment Contract with RODGERS HOUSING, LLC (Bob Long) (Ex. 4A-4F)*

**Area Description:** The Woodland Urban Renewal Area generally consist of an area generally bound by Independence Avenue on the north, Brooklyn Avenue on the east, E. 9<sup>th</sup> Street on the south, and Woodland Avenue on the west, in the Historic Northeast area of Kansas City. The specific site is located directly adjacent to and south of the Samuel U. Rodgers Health Center. The project site is within the northwestern portion of City Council's 3<sup>rd</sup> District.

**Project Description:** The applicant is RODGERS HOUSING, LLC, a single-purpose real estate entity affiliated with the Housing Authority of Kansas City and Brinshore Development.

The applicants' project is a \$15.3 million development of 62 apartments, in the Independence Plaza neighborhood. Two-thirds of the units (42) units will be reserved for very low-income and moderate - income households. Eighteen (18) units will be market-

rate apartments. MHDC has allocated Low-Income Housing Tax Credits to this project. This project is part of the Housing Authority and Brinshore Development's Paseo Gateway/Choice Neighborhoods project to replace the recently-demolished Chouteau Courts public housing development with a number of mixed-income developments.

#### Financial Review

Per LCRA policy regarding affordable housing projects, the project was subject to a financial review by EDC staff. Staff's review revealed that the developer already has a low-income housing tax credit allocation and debt financing in-place. Staff believes this satisfies the requirements of the Authority's Workable Program.

Staff believes that the proposed project is in conformance with Woodland Urban Renewal Plan.

**Affirmative Action Policy and MBE/WBE Participation:** The proponent will be subject to MHDC's MBE/WBE participation goals and has discussed the reporting process with HRD.

**Taxing Jurisdictions:** The project was presented for review at the June 18, 2021 Agency Directors meeting.

**Other government/statutory agency action:** N/A

*ACTION RECOMMENDED:* APPROVAL OF PROPERTY TAX ABATEMENT AT 100% FOR 10 YEARS FOR THE SAM RODGERS PLACE MIXED-INCOME HOUSING PROJECT.

AUTHORIZATION FOR PREPARATION OF A REDEVELOPMENT CONTRACT WITH RODGERS HOUSING, LLC FOR THE SAM RODGERS PLACE MIXED-INCOME HOUSING PROJECT IN WOODLAND URBAN RENEWAL AREA.

5. **Santa Fe Area Council URA** – *Consideration of Proposed Urban Renewal Plan (Bob Long) (Ex. 5A-5B)*

**Area Description:** The proposed Santa Fe Area Council Urban Renewal Area consists of an area generally bound by E. 27<sup>th</sup> Street on the north, Indiana Avenue on the east, Linwood Boulevard on the south, and Prospect Avenue on the west. It excludes those areas located within the existing Santa Fe Urban Renewal Area, which is generally located within the northeastern quadrant of E. 31<sup>st</sup> Street & Prospect Avenue.

**Plan Description:** The Santa Fe Area Council and the City of Kansas City are the proponents of this proposed Urban Renewal Plan.

The Santa Fe Area Council Urban Renewal Plan is located near E. 31<sup>st</sup> Street & Prospect Avenue, lying adjacent the Key Coalition neighborhood to the west and the Washington -

Wheatley to the north, approximately 3 miles southeast of the Central Business District. It is located within the 3<sup>rd</sup> Council District.

The Santa Fe neighborhood began as part of John Thornton's distillery and grain mill and later became the Lockridge family farm, which survived into the early 1890s. In 1893, Santa Fe Place began as an exclusive residential neighborhood and by 1915, it had become one of Kansas City's preeminent neighborhoods for White middle- and upper-class families. Kansas City's "Twenty Blocks of Black" lay just to the west across Prospect Avenue, so in 1931 the neighborhood created a covenant prohibiting the sale or rental of any property to Black people for at least thirty years. Just seventeen years later, Dr. D.M. Miller and his wife became the first Black residents of the Santa Fe neighborhood. During the 1950s, the Santa Fe neighborhood became one of the preferred neighborhoods for affluent Black families in Kansas City. The Santa Fe neighborhood thrived for many years.

Kansas City's "Twenty Blocks of Black" and adjacent black neighborhoods, including Santa Fe, began to decline in the early 1960s as the nation's civil rights landscape underwent seismic shifts and allowed middle- and upper-income African-American families to move out, dramatically weakening the economic base of the historically minority neighborhoods. Many long-term residents which could move did move out to more suburban areas, following jobs and better schools. This out-migration depressed property values, which made the Santa Fe neighborhood more affordable to lower-income families and attractive to absentee landlords.

There are, however, signs of change in the area. The Linwood Shopping Center and Linwood Square shopping centers, adjacent to the Santa Fe neighborhood's southwestern edge, have recently been reinvigorated. Some adjacent neighborhoods are experiencing an influx of new homeowners, who are discovering the architectural appeal and value of the existing housing stock or building new homes, as well as the ease of access to downtown and the entire metropolitan area. There is renewed interest in revitalizing the historic homes associated with some of Kansas City's historic jazz musicians, as well as the home of the home of Satchel Paige, one of the Negro League's icons. The Santa Fe neighborhood is well-positioned to benefit from these attributes.

The Plan's proponents are planning to both rehabilitate historic homes, as well as construct new single-family homes, to stabilize and strengthen the neighborhood's economic base. The Plan's proponents believe that these proposed projects would help attract new residents to the neighborhood.

**Blight Study:** Staff believes that, as of April 2021, the proposed Santa Fe Area Council Urban Renewal Area of Kansas City, Missouri, is a "blighted area" according to the definition provided in Missouri's Land Clearance for Redevelopment Law in the Missouri Revised Statutes (RSMo. Ch. 99) and is a menace to the health, safety, morals, and welfare of the city. An excerpt from the blight study:

All of the components of the Chapter 99 definitions were present in the proposed Santa Fe Area Council Urban Renewal Area. Although some portions of the Study Area are in adequate or sound condition, there exist deteriorated and substandard conditions

throughout the Study Area as a whole, which could lead the legislative body to a finding that the proposed redevelopment area is blighted.

The dominant blighting factors in the proposed redevelopment area include 1) the presence of unsafe or insanitary conditions on vacant and developed lots alike, including the presence of weeds and trash/debris; 2) deterioration of site improvements, including primary roofs, deterioration of windows, soffits and fascia, and the failing of finishes, as well as site deterioration, including the deterioration drives, retaining walls and fences, all of which are prevalent throughout the entire Study Area; 3) deteriorated public improvements in the Study Area, including uneven or cracked sidewalks; 4) commercial and extremely high residential vacancies; and 5) a high number of vacant lots. These factors result in unsafe conditions in the proposed redevelopment area, and make redevelopment of the area by private enterprise alone cost prohibitive.

Neighborhood and safety issues include vacant buildings, graffiti, trash, deterioration of aging improvements and public infrastructure. The decline in population and the non-existent construction activity in the Study Area since 2002, particularly as it relates to nearby neighborhoods and the 18<sup>th</sup> & Vine entertainment district where growth has been taking place over the past fifteen years, indicate blight is present within the proposed Santa Fe Neighborhood Council Urban Renewal Area. All of the above combine to create economic underutilization and an inability to generate reasonable taxes.

Therefore, the consultant has determined that the proposed Santa Fe Neighborhood Council Urban Renewal Area of Kansas City, Missouri, as of April 27, 2021, is a “blighted area” according to the definition provided in Missouri’s Land Clearance for Redevelopment Law in the Missouri Revised Statutes (RSMo. Ch. 99) and is a menace to the health, safety, morals, and welfare of the city. The blight study can be found in Exhibit F of the draft Plan. Staff believes that blighting conditions exist.

To revitalize the Santa Fe Area Council Plan Area with additional housing development and limited commercial development, the Plan’s proponents believe that assistance from the Land Clearance for Redevelopment Authority (the “Authority”), consisting of real property tax abatement, will present opportunities to preserve and strengthen the historic Santa Fe neighborhood.

**Affirmative Action Policy and MBE/WBE Participation:** Multifamily and commercial project proponents will be required to comply with LCRA’s MBE/WBE requirements.

**Taxing Jurisdictions:** Not Applicable.

**Other government/statutory agency action:** The City Planning Commission will need to consider the proposed Urban Renewal Plan at an upcoming meeting. City Council will need to approve the Finding of Blight and the proposed Santa Fe Area Council Urban Renewal Plan.

*ACTION RECOMMENDED:* APPROVAL OF THE FINDING OF BLIGHT IN THE PROPOSED SANTA FE AREA COUNCIL URBAN RENEWAL PLAN.

APPROVAL OF THE SANTA FE AREA COUNCIL URBAN RENEWAL PLAN AND FORWARDING IT TO CITY COUNCIL WITH A RECOMMENDATION OF APPROVAL.

6. **Hospital Hill II URA - District Row** – *Consideration of Approval of Redevelopment and Sale/Leaseback Contract with District Row, LLC (Dan Moye) (Ex. 6A-6B)*

**Area Description:** The Hospital Hill II Urban Renewal Area generally consists of an area generally bound by E. 22<sup>nd</sup> Street on the north, 71 Hwy/Bruce R. Watkins on the east, E. 27<sup>th</sup> Street on the south (including, however, the parcels on the southeast and southwest corners of E. 27<sup>th</sup> Street & Troost Avenue), and Cherry/E. 25<sup>th</sup>/Charlotte Streets on the west. The project site specifically consists of only the parcels on the southeast and southwest corners of E. 27<sup>th</sup> Street & Troost Avenue. The project site is within the northwest portion of City Council’s 3<sup>rd</sup> District.

**Project Description:** The applicant is District Row, LLC

The historic Western Baptist Bible College site located at 2119 Tracy Avenue will be redeveloped to create District Row, a mixed-use development that will support and enhance Western Baptist Bible College’s mission as an educational institution and its position as an anchor in the community. The renovated portion will consist of classrooms, business offices, seminar venues, and event space.

**Policy Considerations**

- What is driving the need for an incentive?
  - The project is in an unproven market, undertaking a historic rehabilitation, and being undertaken by a not-for-profit entity.
- What is unique about the location or the project?
  - The property is a historic site in a chronically underinvested neighborhood of the city
- How does this project fit into the City’s economic development strategy?
  - This project will promote investment into the Third District, support a historic development, and focus on supporting an existing non-profit institution.
- Why is this project good in the long term for the City?
  - Adding new services and supporting an educational institution will be good for the City and the surrounding community
- Why is this specific level of incentives being recommended?
  - The Developer has requested up to 7 years of 100% tax abatement along with sales tax exemption on construction materials.

- What is the likely consequence of not granting an incentive (if known)?
  - The project would likely be unable to proceed based on the complexity of the project for an entity that does not specialize in economic development.

**Financial Analysis**

The project is in the geographic area where the LCRA Board has approved projects coming forward without a financial analysis. Staff believes that the proposed project is in conformance with the Hospital Hill II Urban Renewal Plan.

**Affirmative Action Policy and MBE/WBE Participation:** The proponent has had initial discussions with HRD and intends to comply with all goals set.

**Taxing Jurisdictions:** The project information and financial analysis were provided to the taxing jurisdiction representatives by staff.

**Other government/statutory agency action:** None required.

*ACTION RECOMMENDED:* APPROVAL OF PROPERTY TAX ABATEMENT AT 100% FOR UP TO 7 YEARS AND A SALES TAX EXEMPTION ON CONSTRUCTION MATERIALS FOR THE DISTRICT ROW PROJECT IN THE HOSPITAL HILL II URBAN RENEWAL AREA.

AUTHORIZATION FOR PREPARATION OF A REDEVELOPMENT AND SALE/LEASEBACK CONTRACT AND RELATED BOND DOCUMENTS WITH DISTRICT ROW, LLC (OR AFFILIATE) FOR THE DISTRICT ROW PROJECT IN THE HOSPITAL HILL II URBAN RENEWAL AREA.

7. **Administrative.**

- a. **Executive Director’s Report** - *Active Projects Tracking System Report* (Dan Moye) (Ex. 7A)

*ACTION RECOMMENDED:* NONE; INFORMATIONAL ONLY

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

*ACTION RECOMMENDED:* NONE; INFORMATIONAL ONLY.

- b. **Tax Abatements** – There were seventeen (17) tax abatements approved in May, 2021.

URA	Address	Applicant	Category	Type
Boulevard Heights	2241 E 69 <sup>th</sup>	Jolly & Associates	S/f Residential	Rehab
Boulevard Heights	6627 Brooklyn	Jolly & Associates	S/f Residential	Rehab
Columbus Park	540 Campbell	Patrick Casteel & Jason Conway	S/f Residential	Rehab
Garfield	431 Montgall	JPC Property Holdings	S/f Residential	Rehab
Garfield	408 Olive	Wittmer Management	S/f Residential	Rehab
Indian Mound-Lykins	135 N. Oakley	JPC Property Holdings	S/f Residential	Rehab
Indian Mound-Lykins	138 N. Bellaire	TG Farms	S/f Residential	Rehab
Indian Mound-Lykins	341 N. Lawn	TG Farms	S/f Residential	Rehab
Indian Mound-Lykins	3236 E. 7 <sup>th</sup>	WWFB	S/f Residential	Rehab
Indian Mound-Lykins	3226 E. 7 <sup>th</sup>	WWFB	S/f Residential	Rehab
Indian Mound-Lykins	3230 E. 7 <sup>th</sup>	WWFB	S/f Residential	Rehab
Marlborough CC	1161 E. 77 <sup>th</sup>	Billie Hufford	S/f Residential	Rehab
Oak Park	2920 E. 33 <sup>rd</sup>	JPC Property Holdings	S/f Residential	Rehab
Oak Park	3943 Bellefontaine	Crowe Opportunity Fund	S/f Residential	Rehab
Troost Paseo	4200 Paseo	CORE Urban Renew	S/f Residential	Rehab
Scarritt Renaissance II	3610 Gladstone	Robert & Linda Stringfield	S/f Residential	Rehab
Wabash Village	5041 Garfield	TG Farms	S/f Residential	Rehab

8. **E. 23<sup>rd</sup> Street Urban Renewal Area – 1600 Jackson** – *Project Status Update and Consideration of Supplemental Agreement and Letter of Support for MHDC Tax Credit Financing* (Dan Moye/Brian Engel)

*ACTION RECOMMENDED:* EXECUTIVE SESSION

***EXECUTIVE SESSION***

9. *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***

10. **Adjourn.**