
**LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY BOARD
VIDEO-CONFERENCE MEETING**

DATE: January 25, 2022
TIME: 10:00 a.m.
PLACE: 300 Wyandotte, 4th Floor
Kansas City, Missouri

To Join Online: [Join Zoom videoconference](#)
To Join by Phone: 1-312-626-6799
Meeting ID: 818 3658 4429
Passcode: 287780

AMENDED AGENDA

1. **Roll Call.**
2. **Administrative** - *Review and approval of Meeting Minutes for December 28, 2021 as presented (Ex. 2)*

ACTION RECOMMENDED: APPROVAL OF THE MINUTES FOR DECEMBER 28, 2021, AS PRESENTED

3. **Longfellow – Dutch Hill Neighborhood URA – 3130 Gillham Road – Aines Dairy Lofts**
– Consideration of Approval of Redevelopment Contract with Exact Landmark, LLC (Bob Long) (Ex. 3A-3C)

Area Description: The Longfellow – Dutch Neighborhood Urban Renewal Area is generally bound by E. 27th Street on the north, Troost Avenue on the east, Linwood Boulevard on the south, and Gilham Road/Plaza (excluding the area within the Gillham Row PIEA). The project site, 3130 Gillham Road, is located between E. 31st to the north and Linwood Boulevard to the south.

Project Description: The applicant is Exact Landmark, LLC, a single-purpose real estate entity formed for this project; it is affiliated with Exact Partners, LLC. Exact Partners and its affiliates have undertaken a number of multifamily and mixed-use projects along the Troost corridor and Midtown.

The applicants' project is a \$9.5 million historic rehab/adaptive reuse of a two-story Aines Dairy commercial/industrial building. Since the project is located within a "continuously distressed" census tract, it is eligible for up to 10 years abatement of up to 100% of the increased property taxes. Historic tax credit projects are exempt from the City's "prevailing wage" requirement.

The project will contain approximately 2,823 square feet of commercial space and 47 loft apartments. Of the apartments, 6 will be studio/1 bath; 28 units will be 1 bedroom/1

bath; 6 units will be 2 bedroom/1 bath; and 7 will be 2 bedroom/2 bath units. Although historic tax credit projects are exempt from the City’s affordable housing inclusion requirement, all 47 apartments will be affordable to households at or below 80% of AMI, with the studio units affordable to households at 60% AMI. The 1 bd/1 bath and 2 bd/1 bath units are affordable to households at 70% AMI, and the 2 bd/2bath units are affordable to households at 80% AMI.

Financial Review

The project is located within a “continuously distressed “census tract, but is not adjacent to or east of Troost Avenue, so an independent financial analysis was required. Baker Tilly performed the financial analysis. Without property tax abatement, the project is projected to achieve only a 5.17% unleveraged IRR; however, with 10 years abatement at 100%, the project is projected to achieve a 6.24% return. Returns for similar projects range from 5% - 10%, with an average return of 6.63%. Baker Tilly indicated that without assistance, the project would not generate enough return to attract the capital needed to undertake the project. Staff believes this satisfies the requirements of the Authority’s Workable Program.

Staff believes that the proposed project is in conformance with Longfellow – Dutch Hill Neighborhood Urban Renewal Plan.

AdvanceKC: The Aines Dairy Lofts project generated score of 84 on the Scorecard, classifying it as a high impact project.

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

Taxing Jurisdictions: The project was presented for review at the January 21, 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 3130 GILLHAM ROAD AINES DAIRY LOFTS MIXED-USE PROJECT.

APPROVAL OF A REDEVELOPMENT CONTRACT WITH EXACT LANDMARK, LLC FOR THE 3130 GILLHAM ROAD AINES DAIRY LOFTS MIXED-USE PROJECT IN THE LONGFELLOW-DUTCH HILL NEIGHBORHOOD URBAN RENEWAL AREA.

4. **Wendell - Phillips URA** – *Consideration of Approval of Redevelopment Contract with UNI Crescendo, LLC (Bob Long) (Ex. 4A-4D)*

Area Description: The Wendell - Phillips Urban Renewal Area generally consist of an area generally bound by E. 24th Street on the north, Euclid Avenue on the east, E. 24th Street on the south, and Vine Street/Highland Avenue on the west, located southeast of the Downtown Loop and south of the 18th & Vine district. The project site is located directly east of the former Wendell – Phillips Elementary School. The project site is within the City Council’s 3rd District.

Project Description: The applicant is UNI Crescendo, LLC, a single-purpose real estate entity affiliated with the Urban Neighborhood Initiative, Inc. and Brinshore Development.

The applicants’ project is a \$10.6 million development of 10 buildings, including a community building, with a total of 39 units in the highly - distressed Wendell - Phillips neighborhood. All 39 the units are reserved for very low-income and moderate - income households. Six units will be affordable at 30% AMI; four units will be affordable at 40% AMI; seven units will be affordable at 50% AMI; thirteen units will be affordable at 60% AMI; five units will be affordable at 70% AMI; and four units will be affordable at 80% AMI. There is a mixture of 1-bdrm., 2-bdrm., and 3-bdrm. units in the project. MHDC has allocated Low-Income Housing Tax Credits to this project.

This project is a joint venture of the Urban Neighborhood Initiative, Inc., which grew out of a Greater Kansas City Chamber of Commerce effort to reverse the decline of distressed neighborhoods, and Brinshore Development, which has an excellent local track record due to the Paseo Gateway/Choice Neighborhoods projects to replace the Chouteau Courts public housing development with a number of mixed-income developments.

Since the project is an affordable housing project and is located within a “continuously distressed” census tract, it is not subject to the City’s affordable housing inclusion and prevailing wage requirements. It is eligible for up to 10 years abatement of up to 100% of the increased property taxes.

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 controls all of the property and 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 Wendell - Phillips Urban Renewal Plan.

AdvanceKC: The UNI Crescendo affordable housing project achieved a score of 90 on the AdvanceKC Scorecard.

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 January 21, 2022 Agency Directors meeting.

Other government/statutory agency action: N/A

ACTION RECOMMENDED: APPROVAL OF PROPERTY TAX ABATEMENT AT 100% FOR 10 YEARS FOR THE UNI CRESCENDO AFFORDABLE HOUSING PROJECT.

APPROVAL OF A REDEVELOPMENT CONTRACT WITH UNI CRESCENDO, LLC FOR THE UNI CRESCENDO AFFORDABLE HOUSING PROJECT IN WENDELL - PHILLIPS URBAN RENEWAL AREA.

5. **Gotham Apartments Urban Renewal Area** – *Consideration of Approval of URP’s First Amendment (Bob Long)*

The Gotham Apartments Urban Renewal Plan was approved by the City Council via Ordinance No. 020148 on March 28, 2002 for a twenty-year term. The Plan Area is generally consisted of six, non-contiguous, historic apartments building on the north side of E. Linwood Boulevard, between Prospect Avenue on the west and Indiana Avenue on the east. The Plan was intended to redevelop the blighted Gotham Apartments as affordable rental housing.

Using a variety of funding sources, including both historic tax credits and low-income housing tax credits, the Gotham Apartments were rehabilitated and tax abatement issued. That tax abatement terminated several years ago.

A new developer proposed a subsequent rehabilitation of the Gotham Apartments a few years ago. The Authority approved a Redevelopment Contract for this rehabilitation in order to help maintain this supply of affordable housing. Four tax abatement certificates were issued in late 2018, with two more issued in early 2019.

Staff believes that a ten (10) year extension of the Plan would allow adequate time for these tax abatements to run their course.

If the Authority approves the proposed First Amendment, the City Council is expected to consider an ordinance amending the Gotham Apartments Urban Renewal Plan by extending its term for an additional ten (10) years in furtherance of the goals and purposes of the Plan.

ACTION RECOMMENDED: APPROVE AMENDMENT TO GOTHAM APARTMENTS URBAN RENEWAL PLAN TO EXTEND TERM FOR AN ADDITIONAL TEN (10) YEARS.

6. **21st & Montgall Urban Renewal Area** – *Consideration of Approval of URP’s First Amendment* (Bob Long)

The 21st & Montgall Urban Renewal Plan was approved by the City Council via Ordinance No. 070306 on April 5, 2007 with a fifteen-year term. The Plan Area is generally bound by the Kansas City Terminal Railway tracks on the north, Prospect Avenue on the west, E. 21st Street on the south, and Benton Boulevard on the east. The Plan was intended to redevelop the numerous vacant lots as affordable single-family housing and to encourage the rehabilitation of other existing structures for residential purposes.

Three new homes were built and sold, but additional housing development came to a halt with the Great Recession of 2008 – 2009. Three existing homes have since been rehabilitated. A total of six tax abatements have been issued.

There are now a few organizations, including the Urban Neighborhood Initiative and Habitat for Humanity, actively pursuing new housing development and housing rehabilitation within the greater Wendell – Phillips neighborhood, which is directly across Prospect Avenue to the west. The new KD Academy, a 24-hour/seven-day-a-week daycare, recently opened a half-block to the south (this project was assisted by the Authority through the creation of a “footprint” Urban Renewal Area and property tax abatement). The Prospect Max bus rapid transit line provides convenient access, as does the recently-completed 22nd/23rd Street Connector.

A number of vacant parcels remain within the 21st & Montgall Urban Renewal Area. The availability of the Authority’s property tax abatement would encourage and facilitate the rehabilitation of existing homes and the construction of additional single-family homes to complete the Plan’s intent.

Staff believes that a ten (10) year extension of the Plan would allow adequate time for completion of the infill single-family development and housing rehabilitation envisioned in the Plan.

If the Authority approves the proposed First Amendment, the City Council is expected to consider an ordinance amending the 21st & Montgall Urban Renewal Plan by extending its term for an additional ten (10) years in furtherance of the goals and purposes of the Plan.

ACTION RECOMMENDED: APPROVE THE FIRST AMENDMENT TO 21ST & MONTGALL URBAN RENEWAL PLAN TO EXTEND ITS TERM FOR AN ADDITIONAL TEN (10) YEARS.

7. **Clarion Hotel URA** – *Consideration of termination of Urban Renewal Area* (Bob Long)

The Clarion Hotel Urban Renewal Plan was approved by Ordinance No. 070304 on April 5, 2007 by the City Council with a fifteen-year (15) term. The Plan Area consists of a single parcel in the northeast quadrant of I – 70 & Blue Ridge Cut-Off, near the Sports Complex.

The Plan called for the renovation of the existing hotel and the development of an indoor waterpark directly adjacent. The project was completed and tax abatement was issued in 2007, which has since expired.

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

ACTION RECOMMENDED: APPROVE THE TERMINATION OF THE CLARION HOTEL URBAN RENEWAL PLAN AND FORWARDING THE RECOMMENDATION TO CITY COUNCIL.

8. **Truman & Oak** – *Consideration of termination of Urban Renewal Area (Bob Long)*

The Truman & Oak Urban Renewal Plan was approved by Ordinance No. 070013 on January 25, 2007 by the City Council with a fifteen-year (15) term. The Plan Area consists of Truman Road on the north, Locust Street on the east, 16th Street on the south, and Oak Street on the west, plus the property on the southeast corner of 16th & Oak Streets.

The Plan called for the adaptive reuse or rehabilitation of eight, one- to three-story commercial buildings and several surface parking lots. One tax abatement has been issued in the Truman & Oak URP for 1517 Oak, which has since expired.

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

ACTION RECOMMENDED: APPROVE THE TERMINATION OF THE TRUMAN & OAK URBAN RENEWAL PLAN AND FORWARDING THE RECOMMENDATION TO CITY COUNCIL.

9. **Administrative.**

a. **Executive Director’s Report** - *Active Projects Tracking System Report (Dan Moye) (Ex. 9A)*

- **Wheatley - Provident Hospital URP - 1826 Forest RE Holdings** - *Consideration of an amendment to Redevelopment Contract with 1826 Forest Re Holdings, LLC*

ACTION RECOMMENDED: APPROVE THE AMENDMENT TO 1826 FOREST RE HOLDINGS REDEVELOPMENT CONTRACT TO EXTEND THE PROJECT’S COMMENCEMENT DATE TO SEPTEMBER 15, 2022, AND TO EXTEND THE COMPLETION DATE TO SEPTEMBER 15, 2024.

b. **Administrative** – *Affirmative Action Report (Sandra Rayford)*

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

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

URA	Address	Applicant	Category	Type
Santa Fe Area Council	3228 E. 29 th	John Escalada and Don Schreiner	S/f Residential	Rehab
Scarritt Renaissance II	411 Askew	Ryan Finch	S/f Residential	Rehab
Garfield	512 Olive	Jonathan & Karen Harrison	S/f Residential	Rehab
Independence Plaza	1212 Wabash	JPC Property Holdings	S/f Residential	Rehab
Indian Mound-Lykins	5517 Gladstone	TG Farms, LLC	S/f Residential	Rehab
Blue Hills	2007 E. 60 th	Kenneth & Diane Bacchus	S/f Residential	Rehab
Scarritt Renaissance I	307 Bellefontaine	Jolly & Associates, LLC	S/f Residential	Rehab
Oak Park	4012 Wabash	Bobby Rice	S/f Residential	Rehab

EXECUTIVE SESSION

10. 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

11. Adjourn.

12.