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**LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY BOARD  
VIDEO-CONFERENCE MEETING ON APRIL 26, 2022**

**MINUTES**

1. **Roll Call.**

**Present:** Andrea Bough  
Rob Gardner  
Melissa Hazley  
Tammy Henderson  
David Kemper

**Staff:** Dan Moye, LCRA  
Bob Long, LCRA  
Susan Tumey, LCRA  
David Leader, EDC  
Sandra Rayford, EDC

**LCRA Legal Counsel:** Brian Engel, Rouse Frets

**Guests:** Janice Bolin, Kansas City Public Library  
Ron Clark, KC Tenants  
Kevin Collison, CitySceneKC  
Daniel Edwards, NeighborBuilt  
Ebony Edwards, NeighborBuilt  
Daniel Ferguson-Leon, UMKC  
Tom Friestad, Kansas City Business Journal  
Andrew Ganahl, Exact Landmark, LLC  
Kevin Hardy  
Clay Marcussen  
Bob Mayer, Exact Partners  
Christine Ostermeyer  
Kathleen Pointer, KCMO Public School  
Pat Sterrett, Sterrett Urban  
Sarah's i-phone  
Ruby Watson

The monthly meeting of the Board of Commissioners of the Land Clearance for Redevelopment Authority began at approximately 10:00 a.m. when Mr. Gardner declared quorum as all five (5) Commissioners were present. *[All Board members, staff, and guests participated in the meeting via videoconference.]*

Mr. Kemper introduced himself as a newly appointed Board member. He advised that he was the Chief Executive Officer of Trust Neighborhoods, a non-profit which helps local and national neighborhood-based organizations establish mixed-income trusts to create their own

ownership groups in the face of gentrification. He added that he was looking forward to participating in future Board meetings as he became more knowledgeable about the LCRA.

2. **Administrative** - *Review and approval of Meeting Minutes for March 22, 2022 as presented (Ex. 2)*

*ACTION TAKEN:* APPROVED THE MINUTES FOR MARCH 22, 2022, AS PRESENTED. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HENDERSON, AND CARRIED UNANIMOUSLY.

*Mr. Moye asked that the Board consider the following item out of order.*

3. **(4) Main Street - ABC/36 Block URA** –*Consideration of Proposed Urban Renewal Plan (Bob Long) (Ex. 4A-4B)*

➤ **Project Overview**

- Development consists of Project A (3240 and 3244 Main) and Project B (3620 Main) (*Long*)
- Both project areas are in distressed census tracts so tax abatement would be capped at 70% for 10 years (*Long*)
- Both project areas are tax credit projects, which exempts them from the prevailing wage and affordable housing requirements (*Long*)
- Developer met with the Hyde Park Neighborhood Association to discuss the projects (*Mayer*)
- ABC Building, 3244 Main
  - Developer is under contract with the owner (*Mayer*)
  - The State Historic Preservation Program (SHPO) is in the process of determining the building's historic value (*Mayer*)
- Anderson Building, 3240 Main
  - Interconnected with the ABC Building (*Mayer*)
  - First property in Kansas City to have electric cars which were being experimented with in the 1920s (*Mayer*)
- Plan's term should be modified to 15 years rather than the 10 years as originally proposed (*Long*)
  - Lengthening the term of the Plan allows time for the abatement to run its course without having to amend the Plan (*Long*)

➤ **Blight Study** [*All statements made by Mr. Sterrett, unless otherwise noted.*]

- Taxes last year for the eight (8) properties were just under \$83,000, none of which were delinquent
  - Total taxable assessed value last year was just over \$860,000
- Deterioration was a primary blighting factor within both project areas
  - Concrete structures, windows, and finishes had sustained significant damage in all of the buildings

- Damage from water intrusion will require extensive repair to the ABC building
- HTC systems have primarily been dismantled and were no longer operable
- Surface parking lots and sidewalks were also in poor condition
- Insanitary or unsafe conditions which endanger lives or property by fire or other causes were present in more than 50% of the area
- Neither the ABC or Henderson buildings have fire sprinklers
- Deterioration leads to economic liability and reduces negligible income due to low property assessment values

➤ **Request for Continuance**

- Taxing jurisdictions need to discuss the project more in-depth (*Pointer*)
- Approving the creation of the URA implies that the Board will approve the requested incentives (*Hazley*)
- Need more information about the project, such as rental rates, square footage, etc. (*Hazley*)
  - Developer has not yet determined prices for each building (*Mayer*)
  - ABC Building will probably be one-bedrooms, as it is a smaller facility, with rents under \$1,000 (*Mayer*)
  - Retail space in the Armory will probably be about \$12 to \$14 per square foot (*Mayer*)
  - ABC building will be oriented to single families because of size and capability (*Mayer*)
  - Developer's budget for the expansion of the armory building were provided as ranges as its numbers have not yet been finalized (*Mayer*)
- One month delay may not be sufficient for Developer to be able to provide enough information about where they are in the process (*Bough*)
  - SHPO has tentatively approved the historical designation of the armory building (*Mayer*)
  - Developer believes that its application to the Department of Economic Development for tax credits will proceed quickly (*Mayer*)
- In a footprint plan area like this, which is designed for one developer, project specifics can be integral to approval of the URA (*Moye*)
  - In a larger plan area, with multiple developers and projects, it might be more appropriate to move forward without project specifics (*Moye*)
  - May be feasible to ask for a continuance, especially for projects which still need additional outside information to determine their own costs (*Moye*)
- Any specific questions or comments from the Board or the taxing jurisdictions should be provided to staff for dissemination to the Developer (*Moye*)

*ACTION TAKEN:* TABLED UNTIL THE LCRA BOARD MEETING ON MAY 24, 2022. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HENDERSON, AND CARRIED UNANIMOUSLY.

4. **Administrative.**

a. **Presentation by NeighborBuilt** (Dan Moye)

➤ **LCRA In-House Development Team** (*all statements made by Mr. Edwards unless otherwise noted*)

- Proactive program able to rebuild low- to moderate-income communities
  - LCRA would not be limited to just issuing tax abatements

➤ **Attainable housing**

- Plans are to build 250 attainable homes at a cost of about \$100,000,000 in private capital investment
  - Plans to make the neighborhood energy self-sufficient are also being discussed to keep utility costs low
- By 2030, want to have 5,000 attainable units in the Kansas City metro area
- Neighborhood used to have 15,000 homes but only 27 remain
  - 13,000 homes have been demolished in the last seven years
- Target is to have 70% owner-occupied and 30% rental
  - Most thriving neighborhoods in Kansas City have a higher percentage of home ownership, who are able to support the surrounding amenities
  - East side is currently about 90% renter
  - Project's goal is to help existing homeowners keep and maintain their homes
  - East side was historically redlined and targeted as a rental area which increased its mobility and had a detrimental effect (*Hazley*)
  - Complete renovation of the east side should also include rental buildings due to their prevalence in the area (*Clark*)
- Building more affordable housing on the east side is cost prohibitive due to increased costs from the City as well as suppliers (*Edwards/Clark*)
  - Only way to add more rental units is to add additional territory to the project

➤ **Neighborhood Improvement Fund**

- Rebuilt communities would not only have more housing, but would be able to sustain themselves through a neighborhood improvement fund
- Neighborhood would be able to support a grocery store as the units per acre would increase

➤ **LCRA Assistance**

- Holding land while Developer acts as master developer

- Use of pass-thru lien clearance program to clear encumbrances, governmental taxes and special assessments
- Modification of sale/leaseback agreement for use on a single-family housing development
  - Would allow reinvestment of an estimated \$4,000,000 to \$5,000,000 of construction taxes into the community
- Partnership with a quasi-governmental entity such as the LCRA would increase developer's reputation as well as its ability to raise capital
- Per Mr. Moye's request, Mr. Edwards will provide the series of requests made in his proposal in writing to staff for the Board's and legal counsel's review

➤ **City Involvement**

- Developer is requesting that the City make a \$5,000,000 investment to help with the project's infrastructure and land resetting costs
  - Without the City's investment, such costs would be passed to the buyer

*ACTION TAKEN:* NONE; INFORMATIONAL ONLY

b. **Executive Director's Report** - *Active Projects Tracking System Report* (Dan Moye) (Ex. 3B)

*ACTION TAKEN:* NONE; INFORMATIONAL ONLY

c. **Central Business District URA – Mark Twain Building at 106 W. 11<sup>th</sup> Street (KCAC Partners, LLC) – Eastside URA – AT&T Building at 500 E. 8<sup>th</sup> Street (WELL TBC Kansas City JV, LLC)** - *Approval of Conflict Waiver Letter for Rouse Frets White Goss*

- Bernstein Companies has requested that a real estate attorney at Rouse Frets perform general real estate and leasing work regarding the Mark Twain Building, a LCRA project (*Engel*)
- Bernstein Companies may also make a similar request of Rouse Frets regarding the AT&T property, another LCRA project (*Engel*)
- The LCRA and the Bernstein Companies would both be asked to sign the conflict waiver (*Engel*)

*ACTION TAKEN:* APPROVED CONFLICT WAIVER LETTER FOR ROUSE FRETS WHITE GOSS. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HAZLEY, AND CARRIED UNANIMOUSLY. (RES. NO. 4-1-22)

5. **Adjourn.**

There being no further business, the meeting adjourned at approximately 11:15 a.m.

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Daniel Moye, Secretary