

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY BOARD VIDEO-CONFERENCE MEETING

DATE: August 23, 2022

TIME: 10:00 a.m.

PLACE: 300 Wyandotte, 4th Floor

Kansas City, Missouri

Join Online: Join LCRA Zoom videoconference

Meeting ID: 839 1536 3216

Passcode: 004651

By phone: (312) 626-6799

AGENDA

1. Roll Call.

2. **Minutes** - Review and approval of Meeting Minutes for July 26, 2022 as presented (Ex. 2)

ACTION RECOMMENDED: APPROVAL OF THE MINUTES FOR JULY 26, 2022, AS PRESENTED

3. <u>Oak Park URA –3855 Woodland Avenue</u> – Consideration of Amendment of Redevelopment Contract with HMC Holdings, LLC (Bob Long) (Ex. 3A-3B)

<u>Area Description</u>: The Oak Park Urban Renewal Area is an area generally bound by E. Linwood Boulevard on the north, Elmwood Avenue on the east, E. 45th Street and Brush Creek Boulevard on the south, and Paseo Boulevard on the west. The Project site consists of a single parcel on the northeast corner of E. 39th Street & Woodland Avenue.

Project Description: The applicant is HMC Holdings, LLC, which is based in Kansas City.

The applicant's project is a \$400,000 acquisition and renovation of two small commercial buildings. The applicants will relocate their two existing businesses in order to have more room. The remaining spaces will be available for lease. The two buildings are currently vacant. The project is located directly adjacent to the exit ramp from southbound 71 Hwy. at E. 39th Street.

The Authority approved a Redevelopment Contract with HMC Holdings, LLC in June 2019. COVID and supply chain issues have resulted in significant delays, as well as increases in project costs related to materials and labor, for the project. The developers are currently seeking additional funding for the project. The current Redevelopment Contract called for the project to be completed by June 30, 2021.

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Staff believes an amendment of the Redevelopment Contract to extend the completion date by eighteen (18) months to December 31, 2023 would allow the developer to obtain additional financing and complete the project as proposed.

<u>Affirmative Action Policy and MBE/WBE Participation</u>: If the renovation project meets or exceeds the minimum investment threshold, the proponent will be subject to MHDC's MBE/WBE participation goals.

Taxing Jurisdictions: N/A.

Other government/statutory agency action: None required.

ACTION RECOMMENDED: AMENDMENT OF THE REDEVELOPMENT CONTRACT

WITH HMC HOLDINGS, LLC TO EXTEND THE PROJECT COMPLETION DEADLINE TO DECEMBER 31, 2023 FOR THE COMMERCIAL ACQUISITION AND RENOVATION PROJECT AT 3855 WOODLAND AVENUE IN THE OAK

PARK URBAN RENEWAL AREA.

4. <u>The Cleveland Duplexes URA</u> – Consideration of Proposed First Amendment of The Cleveland Duplexes Urban Renewal Plan (Bob Long) (Ex. 4)

<u>Area Description</u>: The Cleveland Duplexes Urban Renewal Area consists of several parcels located within the northwestern portion of the Mount Cleveland neighborhood.

<u>Plan Description</u>: RCG II, LLC, a real estate entity affiliated with Community Builders of Kansas City, Inc., is the proponent of this Urban Renewal Plan.

The Cleveland Duplexes Urban Renewal Plan is located within the northwestern portion of the Mount Cleveland neighborhood, lying approximately 6.5 miles southeast of the Central Business District.

The Plan's proponents proposed the renovation of the existing duplexes into 72 units of affordable housing, along with a related social services use, and 8 units of market-rate housing. A community building will be developed to house the social service provider for residents. The Authority approved The Cleveland Duplexes Urban Renewal Plan on April 28, 2021, with City Council approving it by Ordinance No. 210489 on June 16, 2021.

The Authority subsequently selected RCG II, LLC, the Plan's proponent, as the project's developer. The Authority also approved Twenty-Five (25) years of property tax abatement and a sales tax exemption on construction materials for the project and entered into a Redevelopment and Sale/Leaseback Contract with the developer for the project.

The Authority's legal counsel and staff have recently determined that it is unlikely that the developer will be able to undertake all of the pre-construction work, including securing the necessary financing, and complete the necessary construction work, and have enough time for the Authority's twenty-five years of tax abatement run its course before the expiration of the Plan.

The Authority believes it to be prudent to extend the term of The Cleveland Duplexes Urban Renewal Plan for an additional ten (10) years (for a total of 30 years), which would allow enough time for any property tax abatement granted for projects within the Plan to expire during the term of the Plan. (See attached proposed First Amendment.)

<u>Affirmative Action Policy and MBE/WBE Participation</u>: Project proponents will be required to comply with MHDC's MBE/WBE requirements.

Taxing Jurisdictions: Not Applicable.

Other government/statutory agency action: City Council will need to approve the First Amendment of The Cleveland Duplexes Urban Renewal Plan.

ACTION RECOMMENDED: APPROVAL OF THE FIRST AMENDMENT OF THE CLEVELAND DUPLEXES URBAN RENEWAL PLAN AND

FORWARD IT TO CITY COUNCIL WITH A

RECOMMENDATION OF APPROVAL.

5. <u>Brittany Pointe Urban Renewal Area</u> – Approval of Termination of the Urban Renewal Plan (Bob Long)

The Brittany Pointe Urban Renewal Plan was approved by Ordinance No. 071104 on December 6, 2007 by the City Council with a fifteen-year (15) term. The Plan Area consists of the Brittany Pointe apartment complex on the west side of the 8100 – block of Troost Avenue in the Marlborough neighborhood.

The Plan called for the renovation of all 379 units within the Brittany Pointe complex, as well at security and amenities improvements. The Redevelopment Agreement was never executed and the proposed improvements were never made. No tax abatement was ever issued.

Please note that this apartment complex is now included within the Marlborough Community Coalition Urban Renewal Area, so it remains eligible for tax abatement.

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

ACTION RECOMMENDED: APPROVE THE TERMINATION TO THE BRITTANY
POINTE URBAN RENEWAL PLAN AND FORWARDING
THE RECOMMENDATION TO CITY COUNCIL.

6. <u>Infill Housing #217 - #220 Urban Renewal Area</u> – Approval of Termination of the Urban Renewal Plan (Bob Long)

The Infill Housing #217 - #220 Urban Renewal Plan was approved by Ordinance No. 021194 on October 24, 2002 by the City Council with a twenty-year (20) term. The Plan Area consists of nine (9 parcels in the Westside neighborhood owned by Westside Housing Organization. This is another example of a scattered-site Urban Renewal Plan, which the Authority has a long history of doing.

The Plan called for the construction of up to nine (9) single-family homes in the Westside neighborhood. A total of nine (9) homes were built. and tax abatement approved. Those tax abatements have since expired.

If the Authority approves the proposed Termination, the City Council is expected to consider an ordinance terminating the Infill Housing #217 - #220 Urban Renewal Plan.

ACTION RECOMMENDED: APPROVE THE TERMINATION TO THE INFILL HOUSING #217 - #220 URBAN RENEWAL PLAN AND FORWARDING THE RECOMMENDATION TO CITY COUNCIL.

7. Administrative.

a. <u>Executive Director's Report</u> - Active Projects Tracking System Report (Dan Moye) (Ex. 7A)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

b. Tax Abatements. There were ten (10) tax abatements approved in July, 2022.

URA	Address	Applicant	Category	Type
Garfield	523 Olive	Susanna Haarhoff	S/f Residential	Rehab
Indian Mound-Lykins	126 N. Topping	Eduardo Fregoso	S/f Residential	Rehab
Indian Mound-Lykins	139 Kensington	Carol Oyerly	S/f Residential	Rehab
Key Coalition	2201 E. 27 th	Missouri Housing Partners	S/f Residential	New
Key Coalition	2205 E. 27 th	Missouri Housing Partners	S/f Residential	New
Key Coalition	2209 E. 27 th	Missouri Housing Partners	S/f Residential	New
Oak Park	4209 Wabash	Sherryee Akinmoladun II	S/f Residential	Rehab
Troost Paseo	4235 Virginia	Laura Rohman	S/f Residential	Rehab
Troost Paseo	4437 Tracy	Kelsey & Taylor Inman	S/f Residential	New
Troost Paseo	4534 Forest	Shalaunda Holmes	S/f Residential	Rehab

EXECUTIVE SESSION

8. 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

9. Adjourn.