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

**DATE:** September 27, 2022  
**TIME:** 10:00 a.m.  
**PLACE:** 300 Wyandotte, 4<sup>th</sup> Floor  
Kansas City, Missouri

**Join Online:** [Join LCRA Zoom videoconference](#)  
**By phone:** (312) 626-6799  
**Meeting ID:** 824 9741 9336  
**Passcode:** 939361

### 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. **Seven Oaks Urban Renewal Plan – St. Michael's Veterans Center** - *Consideration of Phase III Incentives for Veterans Housing Project* (Brian Engel) (**Ex. 3A-3F**)

After issuing a request for redevelopment project qualifications and proposals in 2011, LCRA selected St. Michael's Veterans Center, Inc. ("Redeveloper") as the redeveloper of the former Holy Temple Homes site near Leeds Trafficway and Emanuel Cleaver II Boulevard for a veterans housing and supportive services project. In 2013, LCRA approved the Second Amended and Restated Redevelopment Contract with the Redeveloper, as amended by the Amendment to Second Amended and Restated Redevelopment Contract in 2015, which contract approved tax abatement for the project and governs the LCRA's phased transfer of property to the Redeveloper. To date, LCRA has transferred property to the Redeveloper or related entities for Phases I and II of the project. Both Phase I and Phase II are complete and are currently receiving LCRA tax abatement. LCRA is the current owner of the property for Phase III housing and related improvements.

The Redeveloper has obtained from MHDC an allocation of 9% low-income housing tax credits to finance Phase III of the project, which includes construction of a new building containing approximately 62 units of affordable housing for veterans and related improvements. For Phase III, the Redeveloper has submitted an application for a new incentive from LCRA. In addition to tax abatement, the Redeveloper is requesting approval of a sales tax exemption on the purchase of construction materials. The Redeveloper has requested that LCRA (i) issue taxable bonds in a principal amount not to exceed \$17 million to finance Phase III, (ii) retain title to the Phase III property

and lease the Phase III property to the Redeveloper during the construction period, (iii) grant a sales tax exemption incentive on construction materials to facilitate construction of Phase III on behalf of LCRA, and (iv) transfer title to the Phase III property to the Redeveloper and grant tax abatement (10 years at 100%) to the Redeveloper upon completion of Phase III as provided in the Redevelopment Contract, all for the purpose of eliminating blighting conditions found to exist in the Urban Renewal Area and in accordance with and pursuant to the LCRA Act and subject to the terms and conditions of the following LCRA documents,

- (a) Trust Indenture (the “Indenture”) between LCRA and BOKF, N.A., as corporate trustee (the “Bond Trustee”), providing for the issuance of the bonds and setting forth the terms and provisions applicable to the bonds, including a pledge and assignment by LCRA of the Trust Estate to the Bond Trustee for the benefit and security of the owners of the bonds upon the terms and conditions as set forth in the Indenture,
- (b) Lease Agreement (the “Lease Agreement”), between LCRA and the Redeveloper, under which LCRA will make the proceeds from the sale of the bonds available to the Redeveloper for the purposes described in this Resolution in consideration of payments which will be sufficient to pay the principal of, redemption premium, if any, and interest on the bonds as set forth in the Lease Agreement,
- (c) Bond Purchase Agreement (the “Purchase Contract”), among LCRA, the Redeveloper, as redeveloper, and the Redeveloper, as purchaser of the bonds, under which LCRA agrees to sell the bonds to the purchaser upon the terms and conditions as set forth in the Purchase Contract,
- (d) Second Amendment to Second Amended and Restated Redevelopment Contract (“Redevelopment Contract”), between LCRA and the Redeveloper under which the Redeveloper will implement Phase III of the project and LCRA will provide certain assistance and incentives to facilitate Phase III of the project, and
- (e) Such other related documents necessary to complete the planned transactions, including documents required by the Redeveloper’s lender.

*ACTION RECOMMENDED:* APPROVE RESOLUTION RATIFYING PREVIOUS APPROVAL OF TAX ABATEMENT FOR THE ST. MICHAEL’S VETERANS HOUSING AND SUPPORTIVE SERVICES PROJECT, INCLUDING PHASE III, AND APPROVING SALES TAX EXEMPTION ON PURCHASE OF CONSTRUCTION MATERIALS FOR PHASE III OF THE PROJECT IN ACCORDANCE WITH THE LEASE AGREEMENT AND AMENDED REDEVELOPMENT CONTRACT.

APPROVE RESOLUTION AUTHORIZING ISSUANCE OF BONDS IN MAXIMUM AMOUNT OF \$17 MILLION AND EXECUTION OF BOND AND PROJECT DOCUMENTS TO FUND DEVELOPMENT OF PHASE III OF THE ST. MICHAEL'S VETERANS HOUSING AND SUPPORTIVE SERVICES PROJECT WITHIN THE SEVEN OAKS URBAN RENEWAL AREA.

4. **Oak Park URA –3855 Woodland Avenue** – *Consideration of Amendment of Redevelopment Contract with HMC Holdings, LLC (Bob Long) (Ex. 4A-4B)*

**Area Description:** The Oak Park Urban Renewal Area is an area generally bound by E. Linwood Boulevard on the north, Elmwood Avenue on the east, E. 45<sup>th</sup> 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. 39<sup>th</sup> & 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. 39<sup>th</sup>.

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.

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.

**Affirmative Action Policy and MBE/WBE Participation:** 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.

5. **Brittany Pointe Urban Renewal Area** – *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 as 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 CC 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. **Infill Housing #217 - #220 Urban Renewal Area** – *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. **Executive Director's Report** - *Active Projects Tracking System Report* (Dan Moye)  
**(Ex. 7A)**

*ACTION RECOMMENDED:* NONE; INFORMATIONAL ONLY

- b. **Tax Abatements.** There were eight (8) tax abatements approved in August, 2022.

<b>URA</b>	<b>Address</b>	<b>Applicant</b>	<b>Category</b>	<b>Type</b>
Boulevard Heights	2405 E. 68 <sup>th</sup>	SC RE I, LLC	S/f Residential	Rehab
Columbus Park	580 Harrison	Cynthia LaSala	S/f Residential	Rehab
Longfellow Dutch Hill	2912 Charlotte	2912 Charlotte, LLC	S/f Residential	Rehab
Marlborough CC	7748 Paseo	SC Re I, LLC	S/f Residential	Rehab
Marlborough CC	1184 E. 77 <sup>th</sup>	SC RE I, LLC	S/f Residential	Rehab
Marlborough CC	1463 E. 78 <sup>th</sup>	SC RE I, LLC	S/f Residential	Rehab
Santa Fe Area Council	3225 E. 29 <sup>th</sup>	Megan McQueen	S/f Residential	Rehab
Santa Fe Area Council	2627 Victor	Merley McMurry	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.