
LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY BOARD VIDEO-CONFERENCE MEETING

DATE: October 27, 2022

TIME: 10:00 a.m.

PLACE: 300 Wyandotte, 4th Floor
Kansas City, Missouri

Join Online: [Join LCRA Zoom videoconference](#)

By phone: (312) 626-6799

Meeting ID: 860 4178 0212

Passcode: 927277

AGENDA

1. **Roll Call.**
2. **Minutes** - *Review and approval of Meeting Minutes for September 27, 2022 as presented (Ex. 2)*

ACTION RECOMMENDED: APPROVAL OF THE MINUTES FOR SEPTEMBER 27, 2022, AS PRESENTED

3. **33rd & Montgall URA** - *Consideration of Bond Authorizing Resolution for Multifamily Project (Palestine Gardens Apartments) (Brian Engel) (Ex. 3A-3K)*

After issuing a request for redevelopment project proposals, LCRA in December 2021 selected PG/PGN Owner, LLC, a Missouri limited liability company, or as a controlled affiliate, as redeveloper for rehabilitation of the Palestine Gardens North Apartments located at 3220 Montgall Avenue and the Palestine Gardens Apartments located at 2627 E. 33rd Street within the 33rd & Montgall Urban Renewal Area for the preservation and rehabilitation of 118 units reserved for very low-income residents aged 62 and over and other related improvement (“Project”). LCRA received no other redevelopment contract proposals to implement the Project.

PG/PGN Owner, LLC has created an affiliated entity, PG/PGN, LP, a Missouri limited partnership (“Redeveloper”), for the purpose of utilizing low-income housing tax credits allocated by MHDC to help fund the Project. The Redeveloper has requested that LCRA issue tax-exempt bonds in a principal amount not to exceed \$11 million to finance the Project, all for the purpose of eliminating blighting conditions found to exist in the 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 UMB Bank, N.A., as 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) Loan Agreement (the “Loan Agreement”) between LCRA and the Redeveloper, under which LCRA will loan the proceeds from the sale of the bonds available to the Redeveloper 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 Loan Agreement,
- (c) Land Use Restriction Agreement by and among the Authority, the Redeveloper and the Bond Trustee,
- (d) Tax Compliance Agreement by and among the Authority, the Redeveloper and the Trustee,
- (e) Bond Purchase Agreement (the “Purchase Contract”) among LCRA, the Redeveloper, and Legacy Bank & Trust Company (“Purchaser”), 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,
- (f) Redevelopment Contract between LCRA and the Redeveloper under which the Redeveloper will implement the Project and LCRA will provide certain assistance and incentives to facilitate the Project,
- (g) Such other related documents necessary to complete the planned transactions, including documents required by the Purchaser.

The Redeveloper has also requested that LCRA release the Redevelopment Contract dated August 2, 1996, between LCRA and the Community Development Corporation of Kansas City, the then owner of the property for the Palestine Gardens North Apartments. The Redevelopment Contract provided for the transfer of property and the construction of the Palestine Gardens North Apartments. As part of the LCRA bond issuance, the Redeveloper is requesting a Certificate of Completion for the Palestine Gardens North Apartments.

ACTION RECOMMENDED:

- (1) RATIFY APPROVAL OF PG/PGN LP AS SELECTED REDEVELOPER TO UNDERTAKE THE PROJECT.
- (2) APPROVE RESOLUTION AUTHORIZING ISSUANCE OF BONDS IN MAXIMUM AMOUNT OF \$11 MILLION AND EXECUTION OF BOND AND PROJECT DOCUMENTS TO FUND DEVELOPMENT OF THE PROJECT WITHIN 33RD AND MONTGALL URBAN RENEWAL AREA.
- (3) APPROVE RESOLUTION RELEASING AND TERMINATING REDEVELOPMENT CONTRACT DATED AUGUST 2, 1996.

4. **Switzer-West Schools Urban Renewal Area** - *Consideration of Assignment, Assumption and Amendment of Redevelopment Contract* (Brian Engel) (Ex. 4A-4C)

LCRA and Switzer Apartments, LLC (“Original Redeveloper”) are parties to the Redevelopment Contract dated July 27, 2015 (the “Redevelopment Contract”), to facilitate the Original Redeveloper’s rehabilitation of the former Switzer and West Schools for use as 114 market rate apartments located at 1936 Summit Street (“Project”). The Project is complete and LCRA issued its Certificate of Qualification of Tax Abatement in 2017.

The Original Redeveloper and AV-RH JV LLC, a joint venture between Alchemy Ventures and RockCrest Holdings, or affiliated entity (“New Redeveloper”), entered into a purchase agreement pursuant to which the New Redeveloper intends to acquire the Project. The Original Redeveloper and the New Redeveloper have requested that the LCRA approve an assignment of the Redevelopment Contract to the New Redeveloper, including the remaining tax abatement term. The New Redeveloper has purchased 1,500 units in Kansas City in recent years, including the 270-unit Pickwick Plaza apartment building at 933 McGee. The New Redeveloper will assume the obligations under the Redevelopment Contract to maintain the Project and will enter into a new Funding Agreement pursuant to which the New Redeveloper will pay all of the LCRA’s costs and expenses incurred in connection with the Project from the date of the assignment.

ACTION RECOMMENDED: APPROVE ASSIGNMENT, ASSUMPTION AND AMENDMENT OF REDEVELOPMENT CONTRACT.

5. **Administrative.**

a. **Executive Director’s Report** - *Active Projects Tracking System Report* (Dan Moye) (Ex. 5A)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

- **Cleveland Duplexes URA – Cleveland Duplexes – Project Update** (Dan Moye)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

- **Central Business District URA - 906 Grand Hotel – Project Update** (Dan Moye)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

b. **Administrative** – *Affirmative Action Report* (Sandra Rayford) (**Ex. 5B**)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

c. **Tax Abatements**. *There were fifteen (15) tax abatements approved in September, 2022.*

| URA | Address | Applicant | Category | Type |
|------------------------------------|-------------------------|------------------------|-----------------|-------|
| Independence Plaza | 1228 Olive | Vision 2020 Properties | S/f Residential | Rehab |
| Indian Mound-Lykins | 137 N. Oakley | Flor Rosas | S/f Residential | Rehab |
| Indian Mound-Lykins | 4808 E. 7 th | JPC Property Holdings | S/f Residential | Rehab |
| Longfellow Dutch Hill Neighborhood | 2723 Harrison | Yun-Benit RE Partners | S/f Residential | Rehab |
| Longfellow Dutch Hill Neighborhood | 2727 Harrison | Yun-Benit RE Partners | S/f Residential | Rehab |
| Longfellow Dutch Hill Neighborhood | 3017 Campbell | Bryce & Sara Langford | S/f Residential | Rehab |
| Oak Park | 3257 Agnes | Wiley Shearhart | S/f Residential | Rehab |
| Santa Fe Area Council | 2918 Lockridge | Lorene James | S/f Residential | Rehab |
| Santa Fe Area Council | 3022 Agnes | Edward Haney | S/f Residential | Rehab |
| Scarritt Renaissance I | 3422 St. John | JPC Property Holdings | S/f Residential | Rehab |
| Scarritt Renaissance I | 3426 St. John | JPC Property Holdings | S/f Residential | Rehab |
| Scarritt Renaissance I | 3622 Lexington | Lykins NT Holdings | S/f Residential | Rehab |
| Troost Paseo | 4204 Paseo | UC-B Properties | S/f Residential | Rehab |
| Troost Paseo | 4432 Tracy | Sean McBride | S/f Residential | New |
| Troost Paseo | 4438 Tracy | Sharon Ingle | S/f Residential | New |

EXECUTIVE SESSION

6. *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

7. **Adjourn.**