
**LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY BOARD
VIDEO-CONFERENCE MEETING ON MARCH 28, 2023**

MINUTES

1. **Roll Call.**

Present: Andrea Bough
Rob Gardner
Tammy Henderson
David Kemper

Absent: Melissa Patterson-Hazley

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

LCRA Legal Counsel: Brian Engel, Rouse Frets (*via Zoom*)

Guests: Brenner Bernstein (*via Zoom*)
Ashley Dowd (*via Zoom*)
Tim Duggan (*via Zoom*)
Tom Friestad (*via Zoom*)
Roxsen Koch (*via Zoom*)
Sam Lewis, Skyline Homes (*via Zoom*)
Kathleen Pointer, KCMO Public Schools (*via Zoom*)
Josh Wyrick, IUPAT (*via Zoom*)
Pedro Zamora, Hispanic Economic Development Corp (*via Zoom*)

The monthly meeting of the Board of Commissioners of the Land Clearance for Redevelopment Authority began at approximately 10:00 a.m. on March 28, 2023 when Mr. Moye declared quorum as four (4) of the five (5) Commissioners were in attendance.

2. **Administrative** - *Annual Election of Officers for 2023* (Rob Gardner)

The officers of the Authority elected for calendar year 2023 are as follows:

Chairman	Rob Gardner
Vice-Chairman	Melissa Hazley
Secretary	Daniel Moye
Assistant Secretary	Susan Tumey
Treasurer	Vacant

- Ms. Hazley’s current leave of absence does not prohibit the Board from electing her as Vice-Chairman (*Bough/Moye*)
- The Treasurer position would remain vacant for the time being (*Bough/Moye*)

ACTION TAKEN: ELECTED THE SLATE OF OFFICERS NOMINATED FOR THE 2023 CALENDAR YEAR. MOTION MADE BY MS. BOUGH, SECONDED BY MR. GARDNER, AND CARRIED UNANIMOUSLY. (*RES. NO. 3-1-23*)

3. **Minutes**

a. *Review and approval of Meeting Minutes for January 6, 2023 as presented (Ex. 3A)*

ACTION TAKEN: APPROVED THE MINUTES FOR JANUARY 6, 2023, AS PRESENTED. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HENDERSON, AND CARRIED UNANIMOUSLY.

b. *Review and approval of Meeting Minutes for February 28, 2023 as presented (Ex. 3B)*

ACTION TAKEN: APPROVED THE MINUTES FOR FEBRUARY 28, 2023, AS PRESENTED. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HENDERSON, AND CARRIED UNANIMOUSLY.

4. **Oak Street URA** – *Consideration of Proposed Urban Renewal Plan (Bob Long) (Ex. 4A-4B)*

[All comments made by Mr. Long unless otherwise noted.]

➤ **Skyline Homes**

- Board previously approved a finding of blight and the proposed Oak Street Townhomes Urban Renewal Plan
 - Original developer opted not to proceed with its proposed project of 17 townhome rental units
 - Previously approved definition of blight includes language which has now been removed based on recent legislation (*Engel*)
 - Redevelopment Contract with new developer will include those changes
- Skyline Homes, as the new developer, proposes the development of 12 single-family homes
 - The area is in a continually distressed census tract so it is eligible for 100% tax abatement
 - Single-family homes are also exempt from the prevailing wage and financial analysis requirements
 - Tax abatements for single-family homes may also be administratively approved by the Executive Director
- The taxing jurisdictions had no major concerns about the proposal when it was presented as an informational item at the March 17, 2023 Agency Directors meeting

- Another developer with a similar name specializes in manufactured homes, while Skyline Homes KC, LLC develops typical wood frame homes (*Kemper/Lewis*)

ACTION TAKEN: AFFIRMED THE AUTHORITY’S PREVIOUS FINDING OF BLIGHT IN THE PROPOSED OAK STREET URBAN RENEWAL PLAN. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HENDERSON, AND CARRIED UNANIMOUSLY.

APPROVED THE OAK STREET URBAN RENEWAL PLAN AND FORWARDING IT TO CITY COUNCIL WITH A RECOMMENDATION OF APPROVAL. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HENDERSON, AND CARRIED UNANIMOUSLY.

(*RES. NO. 3-2-23*)

5. **Oak Park URA – Historic rehabilitation of 1601 – 1603 Linwood Boulevard for residential uses** – *Consideration of Approval of a Redevelopment Contract with Phronesis, LLC (Bob Long) (Ex. 5A-5F)*

[All comments made by Mr. Long unless otherwise noted.]

➤ **Project Overview**

- Phronesis, LLC, the initial developer, has created an affiliated entity named Linvista Flats, LLC, to develop the 1601-03 Linwood project (Long)
- Project is exempt from financial review requirements as it is located in a continually distressed census tract
- Developer is also exempt from prevailing wage requirements but are still required to do so by the Central City Economic Development Board
- The project will be exempt from affordable housing inclusion requirements because of its historic tax credits award
- Historic tax credit projects are eligible for 100% abatement
- Project does not achieve a 1.2 debt coverage ratio until year 3 or 4
- Kansas City Public Schools note that project rents were not affordable to its teachers or their families but have no other objections to the project (*Henderson/Pointer*)
 - The City’s definition of affordable should be reviewed (*Bough*)
 - All 14 units will be two-bedroom

ACTION TAKEN: APPROVED PROPERTY TAX ABATEMENT AT 100% FOR 10 YEARS FOR THE 1601 – 1603 E. LINWOOD BOULEVARD HISTORIC REHAB RESIDENTIAL PROJECT. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HENDERSON, AND CARRIED UNANIMOUSLY.

APPROVED A REDEVELOPMENT CONTRACT WITH LINVISTA FLATS, LLC (OR AFFILIATE) FOR THE 1601 – 1603 E. LINWOOD BOULEVARD HISTORIC REHAB RESIDENTIAL PROJECT IN THE OAK PARK URBAN RENEWAL AREA. MOTION MADE BY MS. BOUGH, SECONDED BY MS. HENDERSON, AND CARRIED UNANIMOUSLY.

(RES. NO. 3-3-23)

6. **Eastside URA** – *Consideration of Redeveloper Request for Additional Incentives – 500 E. 8th Street (AT&T Building) (Brian Engel) (Ex. 6)*

➤ **Additional Tax Incentives**

- Staff was comfortable with developer's request for additional incentives as a 15-year tax abatement and a sales tax exemption on construction materials was included in the initial SB Friedman financial analysis (*Moye*)
- Systems should be put in place to determine if developers need more or less incentives (*Pointer*)
 - Developer has been very communicative and cooperative with the school district (*Pointer*)
- Additional tax incentives would help deflect the current increased inflation, interest rates, materials, and labor costs (*Bernstein*)
 - Under the current incentive structure, developer does not believe that they can close the financing (*Moye*)

ACTION TAKEN: APPROVED RESOLUTION AUTHORIZING ADDITIONAL TAX INCENTIVES FOR THE PROJECT TO INCLUDE (I) SALES TAX EXEMPTION ON THE PURCHASE OF CONSTRUCTION MATERIAL, (II) AN EXTENDED TAX ABATEMENT PERIOD FOR 15 YEARS (100% FOR YEARS 1-10 AND 50% FOR YEARS 11-15), AND (III) PREPARATION OF A SALE/LEASEBACK REDEVELOPMENT CONTRACT AND RELATED PROJECT AND BOND FINANCING DOCUMENTS FOR APPROVAL AT A LATER BOARD MEETING TO FACILITATE THE PROJECT WITHIN THE EASTSIDE URBAN RENEWAL AREA. MOTION MADE BY MS. BOUGH, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY. (RES. NO. 3-4-23)

7. **29 Belle URA** – *Consideration of Proposed Assignment & Assumption of the Redevelopment Contract with Remez Partners, LLC to Bellevue Townhomes, LLC for the 29 Belle Townhomes Project (Bob Long) (Ex. 7A-7B)*

➤ **Overview**

- Original developer, Remez Partners, LLC, affiliated with Exact Partners, has agreed to sell the project to Bellevue Townhomes, LLC, the new developer (*Long*)

- Transfer of project from profit developer to non-profit organization in order to make sure that they maintain affordability (*Henderson/Zamora*)
- Project has evolved over time with a considerable amount of input from the neighborhood (*Long*)
 - Site has been vacant for almost 100 years and is badly overgrown and steeply sloped (*Long*)
 - Kansas City Public Schools have been involved in discussions about the project (*Henderson/Zamora*)

ACTION TAKEN: AFFIRMED TEN (10) YEARS OF PROPERTY TAX ABATEMENT FOR THE 29 BELLE TOWNHOMES PROJECT IN THE 29 BELLE URBAN RENEWAL AREA. MOTION MADE BY MS. BOUGH, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY.

APPROVED THE ASSIGNMENT AND ASSUMPTION OF THE REDEVELOPMENT CONTRACT FROM REMEZ PARTNERS, LLC TO BELLEVIEW TOWNHOMES, LLC FOR THE 29 BELLE TOWNHOMES PROJECT IN THE 29 BELLE URBAN RENEWAL AREA. MOTION MADE BY MS. BOUGH, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY.

(*RES. NO. 3-5-23*)

8. **Administrative.**

a. **Eastside Urban Renewal Plan** (Dan Moye)

- Timeline is to for the Plan to be on the LCRA website for public comment, submitted to the City Planning Commission in middle of the month, and then to present it to the City Council for full comment next month (*Moye*)

ACTION TAKEN: NONE; INFORMATIONAL ONLY

b. **Governance Risk Assessment Survey** (Dan Moye) (**Ex. 8B**)

- – Board was asked to review the survey to ensure the accuracy of the responses (*Moye*)

ACTION TAKEN: NONE; INFORMATIONAL ONLY

c. **Executive Director's Report** - *Active Projects Tracking System Report* (Dan Moye) (**Ex. 8C**)

ACTION TAKEN: NONE; INFORMATIONAL ONLY

9. **Adjourn.**

There being no further business, the meeting adjourned at approximately 10:45 a.m.

Daniel Moye, Secretary