
**LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY BOARD
VIDEO-CONFERENCE MEETING ON JUNE 27, 2023**

MINUTES

1. **Roll Call.**

Present: Rob Gardner (*via Zoom*)
Tammy Henderson (*via Zoom*)
David Kemper (*via Zoom*)
Melissa Patterson-Hazley (*via Zoom*)

Absent: Andrea Bough

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

LCRA Legal Counsel: Brian Engel, Rouse Frets

Guests: Phil Aftuck (*via Zoom*)
Lea Akert (*via Zoom*)
Butch Dougherty (*via Zoom*)
Ashley Dowd (*via Zoom*)
Thomas Friestad (*via Zoom*)
Roxsen Koch (*via Zoom*)
Robin Martinez (*via Zoom*)
Dawn Ryan (*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 June 27, 2023 when Mr. Moye declared quorum as four (4) of the five (5) Commissioners were in attendance.

2. **Minutes.**

- a. Review and approval of Meeting Minutes for April 25, 2023 as presented (**Ex. 2A**)

ACTION TAKEN: APPROVED THE MINUTES FOR APRIL 25, 2023, AS PRESENTED. MOTION MADE BY MR. GARDNER, SECONDED BY MS. HAZLEY, AND CARRIED UNANIMOUSLY.

- b. Review and approval of Meeting Minutes for May 23, 2023 as presented (**Ex. 2B**)

ACTION TAKEN: APPROVED THE MINUTES FOR MAY 23, 2023, AS PRESENTED. MOTION MADE BY MS. HENDERSON, SECONDED BY MS. HAZLEY, AND CARRIED UNANIMOUSLY.

3. **Central Business District URA** – 900 Broadway – Consideration of Assignment and Amendment of Project Documents (Hyatt House Hotel) Brian Engel (Ex. 3A-3D)

[All statements made by Mr. Engel unless otherwise noted.]

➤ **Bridge Loan**

- Scheduled to close week of June 26, 2023 to pay off existing mechanic’s liens filed against project and also paying off the existing baseline financing
- Goal was to give project a fresh start by removing all encumbrances from property to enable new developer to seek a construction loan to proceed with the development as originally planned
 - Original developer will have a minority interest in the project going forward at closing (*Martinez*)
 - New developer hopes to develop the hotel project in advance of the World Cup coming to Kansas City in 2026 (*Martinez*)

➤ **Documents for Board Approval**

- Omnibus Assignment and Amendment of Documents
 - Makes several amendments to existing Redevelopment Contract
 - Extends maturity date of bond to December 31, 2041 and extends the Project completion date an additional three (3) years to June 30, 2026, which was also recently approved by the City Council
- Amended Lease Agreement
 - Combines the existing leases into one document with the new developer as the tenant
 - Includes assigning all rights under existing documents to the new tenant
- Bond
 - Shows a new registered owner in the name of the new developer entity
- LCRA Resolution
 - Approves the assignment and amendment of the documents as well as delivery to the closing of the bridge loan

ACTION TAKEN: APPROVED THE OMNIBUS ASSIGNMENT AND AMENDMENT OF DOCUMENTS, THE AMENDED LEASE AGREEMENT, THE BOND R-2, AND RELATED DOCUMENTS TO ASSIGN THE PREVIOUSLY APPROVED TAX INCENTIVES TO NEW REDEVELOPER AND TO AMEND THE PROJECT AND BOND DOCUMENTS AS PROVIDED THEREIN TO FACILITATE THE NEW REDEVELOPER’S BRIDGE LOAN TO PAY OFF AND RELEASE ALL MECHANIC’S LIEN CLAIMS AND THE PACE FINANCING DEBT. MOTION MADE BY MR. KEMPER, SECONDED BY MS. HAZLEY, AND CARRIED UNANIMOUSLY. (RES. NO. 6-1-23)

4. **Eastside URA** – *Consideration of Bond Authorizing Resolution for Historic Building Renovation Project – AT&T Building at 500 E. 8th Street (Brian Engel) (Ex. 4A-4F)*

➤ **Project Overview**

- Documents for Board Approval
 - Documents are in substantially final form as the only remaining issues to be decided are the base assessment rates and a few smaller matters
 - Board is being asked to approve the necessary documents to implement the previously approved incentives for the project
- Demolition stage of the project is ongoing and developer plans to complete the building by late 2024 (*Kemper/Aftuck*)
- Kansas City, Missouri School District was engaged in the project’s incentive process (*Henderson/Aftuck*)

ACTION TAKEN: APPROVE RESOLUTION AUTHORIZING ISSUANCE OF BONDS AND EXECUTION OF A BOND IN THE MAXIMUM AMOUNT OF \$70 MILLION AND RELATED BOND AND PROJECT DOCUMENTS TO FUND DEVELOPMENT OF THE PROJECT WITHIN THE EASTSIDE URBAN RENEWAL AREA. MOTION MADE BY MS. HENDERSON, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY. (*RES. NO. 6-2-23*)

5. **Independence Plaza URA** – *Citihome KC – Consideration of Approval of Redevelopment Contract with BKT Development, LLC (Bob Long) (Ex. 5A-5C)*

➤ **Project Overview**

- Project may be first LCRA market rate development which complies with the City’s ordinance to have 20% of the units affordable at 60% (*Long*)
- Market rate rents in this area would not be the same as market rate units in other areas of the City, such as downtown or the crossroads (*Hazley/Long*)
 - Market rate units for the project are probably closer to being affordable to 80% to 100% AMI (*Hazley/Long*)
 - Rental rates have not yet been completely finalized but are estimated to range from \$600 to a little over \$1,000 (*Hazley/Dougherty*)
- Property is currently completely vacant (*Hazley/Long*)
- Kansas City, Missouri School District representatives were supportive as the project was going to meet the 20% affordable requirement (*Henderson/Long*)
 - Concerns about gentrification and relative market rent rates for the area were discussed with the school representative (*Moye*)
- Neighborhood associations were also supportive of the project (*Long*)

ACTION TAKEN: APPROVED PROPERTY TAX ABATEMENT AT 100% FOR 10 YEARS FOR THE CITIHOME KC MIXED-USE PROJECT. MOTION MADE BY MS. HENDERSON, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY.

APPROVED A REDEVELOPMENT CONTRACT WITH BLUE HILLS TOWNHOMES, LP (OR AFFILIATE) FOR THE CITIHOME KC MIXED-USE PROJECT IN THE INDEPENDENCE PLAZA URBAN RENEWAL AREA. MOTION MADE BY MS. HENDERSON, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY.

(RES. NO. 6-3-23)

6. **Wabash Village URA – Blue Hills Townhomes** – Consideration of Approval of Redevelopment Contract with Blue Hills Townhomes, LP (Bob Long) (Ex. 6A-6I)

➤ **Project Overview**

- Developer responded to neighborhood inquiries about the project in meetings and at zoning hearings (*Kemper/Drew*)
- The townhome design was selected to complement the neighborhood aesthetic (*Drew*)
- Rental rates will range from \$550 to \$960 a month (*Henderson/Drew*)

ACTION TAKEN: APPROVED PROPERTY TAX ABATEMENT AT 100% FOR 10 YEARS FOR THE BLUE HILLS TOWNHOMES AFFORDABLE HOUSING PROJECT. MOTION MADE BY MS. HENDERSON, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY.

AUTHORIZED PREPARATION OF A REDEVELOPMENT CONTRACT WITH BLUE HILLS TOWNHOMES, LP (OR AFFILIATE) FOR THE BLUE HILLS TOWNHOMES AFFORDABLE HOUSING PROJECT IN WABASH VILLAGE URBAN RENEWAL AREA. MOTION MADE BY MS. HENDERSON, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY.

(RES. NO. 6-4-23)

7. **Seven Oaks Urban Renewal Plan – St. Michael's Veterans Center** - Consideration of License Agreement (Brian Engel) (Ex. 7A-7B)

➤ **Project Overview**

- Developer requested a License Agreement to access the site so they can begin some excavation work for the Phase 3 building (*Engel*)
 - A similar License Agreement was granted to the developer for Phase 2 of the project (*Engel*)
 - Approval of the License Agreement is an intermediary step prior to approval of the lease and bond documents (*Henderson/Engel*)
- Phase 3 is the final phase of the project (*Henderson/Engel*)
 - Approximately 62 new units of affordable housing for veterans will comprise Phase 3 of the project (*Engel*)

- Units are in high demand by veterans due to their affordability and location near the Veterans Hospital (*Henderson/Engel*)

ACTION TAKEN: APPROVED EXECUTION AND DELIVERY OF A LICENSE AGREEMENT IN SUBSTANTIALLY THE FORM AS PRESENTED TO THE BOARD OF COMMISSIONERS ON THIS DATE TO FACILITATE THE PLANNED CONSTRUCTION OF PHASE III LATER THIS YEAR WITHIN THE SEVEN OAKS URBAN RENEWAL AREA. MOTION MADE BY MS. HENDERSON, SECONDED BY MR. KEMPER, AND CARRIED UNANIMOUSLY. (*RES. NO. 6-5-23*)

8. **Administrative.**

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

- Presentations from developers will be more prevalent at future Board meetings (*Moye*)
- Congratulations to newly-elected city councilwoman Ms. Hazley and re-elected city councilwoman Ms. Bough (*Moye*)
- Rouse Frets' supplemental engagement letter with the new legal fee rates was distributed to the Board (*Engel*)
 - Updated legal rates were approved at last month's Board meeting and the new fees went into effect on June 1, 2023 (*Henderson/Engel*)

ACTION TAKEN: NONE; INFORMATIONAL ONLY

9. **Adjourn.**

There being no further business, the meeting adjourned at approximately 11:00 a.m.

Daniel Moye, Secretary