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

DATE: March 26, 2024

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: 830 9338 1192

Passcode: 176755

AGENDA

1. **Roll Call.**
2. **Minutes** - Review and approval of Meeting Minutes for January 23, 2024 and February 27, 2024 as presented (**Ex. 2A-2B**)

ACTION RECOMMENDED: APPROVAL OF THE MINUTES FOR JANUARY 23, 2024 AND FEBRUARY 27, 2024, AS PRESENTED

3. **East Kansas City URA –7415 Tracy Avenue** – Consideration of Approval of Redevelopment Contract with Kansas City Community Land Trust (Bob Long) (**Ex. 3A–3B**)

Area Description: The East Kansas City Urban Renewal Area generally consists of the area generally bound by Cliff Drive on the north, I-435 on the east, Bannister Road on the south, and Troost Avenue on the west. The project site is the three-story former elementary school at 7415 Tracy Avenue, located on the north side of E. 75th Street. The project site is within the City Council’s 5th District.

Applicant: The applicant is the Kansas City Community Land Trust (KCCLT), a non-profit community land trust designed to create and maintain affordable housing and community-oriented projects. KCCLT has successfully undertaken a number of housing rehabilitation and new construction projects, primarily within the Marlborough neighborhoods.

This project is located at 7415 Tracy Avenue, which is on the north side of E. 75th Street, between Tracy and Virginia Avenues. The property served as Marlborough Elementary School for many decades, but has been vacant and deteriorating since it was supplanted by the school district. Previous redevelopment efforts have been unsuccessful.

The applicants’ project is a multi-phase \$6.3 Million acquisition and renovation of the building. The building will be converted into a variety of commercial and community spaces intended to support neighborhood entrepreneurs and organizations.

Since this will be a commercial project, it will not be subject to the City’s affordable housing inclusion requirement.

Since this is a continuously distressed census tract, it is not subject to the City’s reduced abatement and prevailing wage requirements. It is eligible for up to 10 years abatement of up to 100% of the increased property taxes.

Financial Review: Per existing LCRA policy regarding URA projects that are adjacent to or east of Troost Avenue and within continuously distressed census tracts, a financial analysis was not required. Staff’s review of the Universal Application reveals that the applicant has obtained several grants from philanthropic sources and predevelopment financing from the Local Initiative Support Corporation (LISC) in order to undertake the first-floor renovations. The applicant will self-finance the renovations of the second and third floors. The project is not likely to proceed without the requested tax abatement.

EDC staff believes this satisfies the requirements of the City’s AdvanceKC policy and the Authority’s Workable Program.

EDC staff believes, therefore, that the proposed project is in conformance with the East Kansas City Urban Renewal Plan.

AdvanceKC: The proposed historic rehab of the Marlborough School, 7415 Tracy Avenue achieved a score of 73 on the AdvanceKC Scorecard; this is at the upper end of the Standard Impact category.

Affirmative Action Policy and MBE/WBE Participation: The proponent will be subject to the LCRA’s MBE/WBE participation goals and reporting process.

Taxing Jurisdictions: The project was presented for review at the March 19, 2024 Agency Directors meeting. The developer has already had discussions with the Kansas City Public Schools.

Other government/statutory agency action: N/A

ACTION RECOMMENDED: APPROVAL OF PROPERTY TAX ABATEMENT AT 100% FOR 10 YEARS FOR THE MARLBOROUGH SCHOOL COMMERCIAL REHABILITATION PROJECT AT 7415 TRACY AVENUE.

APPROVAL OF A REDEVELOPMENT CONTRACT WITH KANSAS CITY COMMUNITY LAND TRUST (OR AFFILIATE) FOR THE MARLBOROUGH SCHOOL COMMERCIAL REHABILITATION PROJECT AT 7415 TRACY AVENUE IN THE EAST KANSAS CITY URBAN RENEWAL AREA.

4. **Troost Paseo URA –4451 Troost Avenue** - *Consideration of Approval of Redevelopment Contract with Rockhill Studios, LLC (Bob Long) (Ex. 4A-4B)*

Area Description: The Troost Paseo Urban Renewal Area generally consists of the area generally bound by E. 42nd Street on the north, Paseo Boulevard on the east, E. 47th Terrace on the south, and the rear property lines of the properties on the west side of Troost Avenue on the west. The project site is a single-story commercial building at 4451 Troost Avenue. The project site is within the City Council’s 3rd District.

Project Description: The applicant is Rockhill Studios, LLC, which is affiliated with Jeff Becker, who formerly operated the Arts Incubator in the Crossroads.

This project is located at 4451 Troost Avenue, which is on the northeastern corner of E. 45th Street & Troost Avenue. 4451 Troost Avenue was built as a 14,000 sq. ft. commercial building and housed the Kansas City Electrical Supply Company for many years, but is currently vacant.

The applicants’ project is an \$850,000 acquisition and renovation of the vacant commercial building. The building will be converted into film studio incubator spaces to support Kansas City’s growing film industry and will provide a variety of services and equipment.

Since this will be a commercial rehabilitation project, it will not be subject to the City’s affordable housing inclusion requirement.

Since this project is located within a continuously distressed census tract, it is not subject to the City’s reduced abatement and prevailing wage requirements. It is eligible for up to 10 years abatement of up to 100% of the increased property taxes.

Financial Review: Per the Authority’s policy regarding URA projects that are adjacent to or east of Troost and within a continuously distressed census tract, a financial analysis was not required. The staff’s review of the Universal Application revealed that the applicant will self-finance the project costs. The project is not likely to proceed without the requested tax abatement.

EDC staff believes this satisfies the requirements of the City’s AdvanceKC policy.

EDC staff believes, therefore, that the proposed project is in conformance with Troost Paseo Urban Renewal Plan.

AdvanceKC: The proposed commercial rehab of 4451 Troost achieved a score of 67 on the AdvanceKC Scorecard; this is in the Standard Impact category.

Affirmative Action Policy and MBE/WBE Participation: The proponent will be subject to the LCRA’s MBE/WBE participation goals and reporting process.

Taxing Jurisdictions: The project was presented for review at the March 19, 2024 Agency Directors meeting. The developer has already had discussions with the Kansas City Public Schools.

Other government/statutory agency action: N/A

ACTION RECOMMENDED: APPROVAL OF PROPERTY TAX ABATEMENT AT 100% FOR 10 YEARS FOR THE COMMERCIAL REHABILITATION PROJECT AT 4451 TROOST AVENUE.

APPROVAL OF A REDEVELOPMENT CONTRACT WITH ROCKHILL STUDIOS, LLC (OR AFFILIATE) FOR THE COMMERCIAL REHABILITATION PROJECT AT 4451 TROOST AVENUE IN THE TROOST PASEO URBAN RENEWAL AREA.

5. **East Kansas City URA – 3645 Troost Avenue** – *Consideration of Approval of Redevelopment Contract with 36 Troost, LLC (Bob Long) (Ex. 5A-5B)*

Area Description: The East Kansas City Urban Renewal Area generally consist of the area generally bound by Cliff Drive on the north, I-435 on the east, Bannister Road on the south, and Troost Avenue. 3645 Troost Avenue is on the northeast corner of E. 37th Street & Troost Avenue. The project site is within the City Council’s 3rd District.

Project Description: The applicant is 36 Troost, LLC, which is affiliated with Mila Geisler, who owns other properties in the area.

This project is located at 3645 Troost Avenue, which is on the northeastern corner of E. 37th Street & Troost Avenue. 3645 Troost is an older, two-story commercial office building and is currently largely vacant.

The applicants’ project is a \$735K acquisition and renovation of the building. The building will be converted into 2 - 3 apartments and two first floor commercial spaces.

Since this project will have only 2 – 3 apartments, it will not be subject to the City’s affordable housing inclusion requirement, which only applies to projects with 12 or more rental housing units.

Since this project is located within a continuously distressed census tract. it is not subject to the City’s reduced abatement and prevailing wage requirements. It is eligible for up to 10 years abatement of up to 100% of the increased property taxes.

Financial Review: Per existing LCRA policy regarding URA projects that are adjacent to or east of Troost Avenue and within continuously distressed census tracts, a financial analysis was not required. Staff’s review of the Universal Application reveals that the applicant has secured private financing of \$250K and will self-finance the remainder of the project. The project is not likely to proceed without the requested tax abatement.

EDC staff believes this satisfies the requirements of the City’s AdvanceKC policy.

EDC staff believes, therefore, that the proposed project is in conformance with East Kansas City Urban Renewal Plan.

AdvanceKC: The proposed historic rehab of 3645 Troost Avenue achieved a score of 50 on the AdvanceKC Scorecard; this is at the low end of the Standard Impact category, which reflects the small size of the project.

Affirmative Action Policy and MBE/WBE Participation: The proponent will be subject to the LCRA’s MBE/WBE participation goals and reporting process.

Taxing Jurisdictions: The project was presented for review at the March 19, 2024 Agency Directors meeting. The developer has already had discussions with the Kansas City Public Schools.

Other government/statutory agency action: N/A

ACTION RECOMMENDED: APPROVAL OF PROPERTY TAX ABATEMENT AT 100% FOR 10 YEARS FOR THE COMMERCIAL RENOVATION MIXED-USE PROJECT AT 3645 TROOST AVENUE.

APPROVAL OF A REDEVELOPMENT CONTRACT WITH 36 TROOST, LLC (OR AFFILIATE) FOR THE COMMERCIAL RENOVATION MIXED-USE PROJECT AT 3645 TROOST AVENUE IN THE EAST KANSAS CITY URBAN RENEWAL AREA.

6. **Central Business District URA –929 Walnut Street** – *Consideration of Approval of Redevelopment Contract with Exact 929, LLC (Bob Long) (Ex. 6A-6C)*

Area Description: The Central Business District Urban Renewal Area generally consist of the area generally bound by I-70/35 on the north, Oak Street on the east, I-670 on the south, and I-35 on the west. The project site is the eight-story commercial building at 929 Walnut Street, located on the northeast corner of E. 10th & Walnut Streets. The project site is within the City Council’s 4th District.

Project Description: The applicant is Exact 929, LLC, which is affiliated with Caleb Buland of Exact Architects. Exact affiliates have successfully undertaken a number of historic rehabilitation projects.

This project is located at 929 Walnut Street, which is on the northeastern corner of E. 10th Street & Walnut Street. 929 Walnut was built in 1922 as a commercial office building, but is currently largely vacant,

The applicants’ project is a \$11.1 Million acquisition and historic rehabilitation of the building. The building will be converted into 57 apartments, including three in a ninth floor to be built, and approximately 1,500 sq. ft. of first floor retail/restaurant space.

Since this will be an historic tax credit project, it will not be subject to the City’s affordable housing inclusion requirement. The applicant plans to make the apartments as affordable as possible. Of the 57 apartments, there will be 13 studios/1-bedroom units, 42 will be 1-bed/1-bath, and 2 will be 2-bed/2-bath units. The studio units are affordable to households at 74% of AMI, the 1-bed units will be affordable to households at 67% and 80% of AMI, and the 2-bed units will be affordable to households at 80% of AMI.

Since this is an historic tax credit project, it is not subject to the City’s reduced abatement and prevailing wage requirements. It is eligible for up to 10 years abatement

of up to 100% of the increased property taxes; however, the applicant is requesting an 80% abatement for 10 years.

Financial Review: Per the City’s AdvanceKC policy, a financial analysis was required. The project application was reviewed by Baker Tilly. Baker Tilly’s review of the project’s 10 – year proforma with tax abatement showed a 6.95% IRR in Year 10, which is less than the 7% national average for apartment projects. A review of the project’s 10 – year proforma without tax abatement revealed the project is likely to produce a 3.75% IRR in Year 10, well below the 6 – 8% national range for similar projects. The project is not likely to proceed without the requested tax abatement.

EDC staff believes this satisfies the requirements of the City’s AdvanceKC policy.

EDC staff believes, therefore, that the proposed project is in conformance with Central Business District Urban Renewal Plan.

AdvanceKC: The proposed historic rehab of 929 Walnut Street achieved a score of 54 on the AdvanceKC Scorecard; this is in the Standard Impact category, which reflects the non-distressed census tract location of the project.

Affirmative Action Policy and MBE/WBE Participation: The proponent will be subject to the LCRA’s MBE/WBE participation goals and reporting process.

Taxing Jurisdictions: The project was presented for review at the March 12, 2024, Agency Directors meeting. The developer has already had discussions with the Kansas City Public Schools.

Other government/statutory agency action: N/A

ACTION RECOMMENDED: APPROVAL OF PROPERTY TAX ABATEMENT AT 80% FOR 10 YEARS FOR THE HISTORIC REHABILITATION MIXED-USE PROJECT AT 929 WALNUT STREET.

APPROVAL OF A REDEVELOPMENT CONTRACT WITH EXACT 929, LLC (OR AFFILIATE) FOR THE HISTORIC REHABILITATION MIXED-USE PROJECT AT 929 WALNUT STREET IN THE CENTRAL BUSINESS DISTRICT URBAN RENEWAL AREA.

7. **Seven Oaks Urban Renewal Plan – St. Michael's Veterans Center** - *Consideration of Bond Authorizing Resolution for Sale/Leaseback Project (Brian Engel) (Ex. 7A-7F)*

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 (“Project”). In September 2022, LCRA approved a sales tax exemption on the purchase of construction materials for Phase III pursuant to a sale/leaseback transaction, subject to later approval of the Project documents at a later meeting. The Redeveloper anticipates a financing closing for Phase III in the second quarter of 2024.

The Redeveloper has requested that LCRA (i) issue taxable bonds in a principal amount not to exceed \$17 million to finance the Project, (ii) acquire the Project and related property upon which the Project is to be built and lease the property to the Redeveloper during the construction period only, (iii) grant a sales tax exemption incentive on construction materials to facilitate construction of the Project on behalf of LCRA, and (iv) grant tax abatement to the Redeveloper upon completion of the Project as provided in the Redevelopment Contract, all for the purpose of eliminating blighting conditions found to exist in the Project 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 St. Michael’s Housing Investors III, LP (“Phase III Redeveloper”, an affiliate of 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 Phase III Redeveloper, and the Phase III 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 between LCRA and the Phase III Redeveloper under which the Phase III Redeveloper will implement the Project and LCRA will provide certain assistance and incentives to facilitate the Project, including acquiring the property from the Phase III Redeveloper and leasing it back to the Redeveloper under the Lease Agreement,

- (e) Such other related documents necessary to complete the planned transactions, including documents required by the Phase III Redeveloper’s lender.

ACTION RECOMMENDED: APPROVE RESOLUTION AUTHORIZING ISSUANCE OF BONDS IN MAXIMUM AMOUNT OF \$17 MILLION AND EXECUTION OF BOND AND PROJECT DOCUMENTS TO FUND DEVELOPMENT OF THE PROJECT WITHIN THE SEVEN OAKS URBAN RENEWAL AREA.

8. **Administrative.**

- (a) **Executive Director’s Report** (Dan Moye)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

- (b) **Honorary Street Naming Ceremony** (Dan Moye) (**Ex. 8B**)

ACTION RECOMMENDED: AUTHORIZE SIGNATURE OF CONSENT

- (c) **Parade Park Project** – Legal Counsel Conflict Waiver (Brian Engel)

ACTION RECOMMENDED: APPROVAL OF LEGAL COUNSEL CONFLICT WAIVER

- (d) **Tax Abatements** – Forty-three (43) tax abatements were approved in February 2024

URA	Address	Applicant	Category	Type
Main 31 Holmes	3116 Troost	Legacy Crossing Dev.	Commercial	Rehab
Main 31 Holmes	3130 Troost	Legacy Crossing Dev.	Commercial	Rehab
Indian Mound-Lykins	4214 E. 7 th	Five Star Urban Dev.	M/f Residential	Rehab
East Kansas City	5215 Brookwood	D. Lewis	S/f Residential	Rehab
East Kansas City	5400 Wayne	B. & D. Morris	S/f Residential	Rehab
East Kansas City	2823 Wabash	C & J Realty	S/f Residential	Rehab
East Kansas City	4138 Troost	B. Dotson & C. Cheng	S/f Residential	Rehab
East Kansas City	7426 Wayne	C. Brewster & E. Ettner	S/f Residential	Rehab
East Kansas City	3629 Forest	K. Hogan & F. Wickham	S/f Residential	Rehab
East Kansas City	3536 Drury	R. Cadenhead	S/f Residential	Rehab
East Kansas City	2015 Garfield	D. Lewis	S/f Residential	Rehab
East Kansas City	2123 Montgall	S. Walker	S/f Residential	Rehab
East Kansas City	4950 Tracy	D. Jones & T. VanVlack	S/f Residential	Rehab
Garfield	1851 Pendleton	F. & A. McDaniel	S/f Residential	Rehab
Garfield	2507 Amie	Syzygy Home	S/f Residential	Rehab
Garfield	2725 Garfield	C. Price	S/f Residential	Rehab
Gotham Apartments	3020 E. Linwood	R. Humphrey	S/f Residential	Rehab
Independence Plaza	2635 E. 7 th	Blackbird Real Estate	S/f Residential	Rehab
Indian Mound-Lykins	1026 Norton	K. Castillo	S/f Residential	Rehab
Indian Mound-Lykins	338 N. Brighton	Blackbird Real Estate	S/f Residential	Rehab

URA	Address	Applicant	Category	Type
Indian Mound-Lykins	3504 E. 10 th	A. Harvey & R. Welch	S/f Residential	Rehab
Longfellow Dutch Hill	2828 Charlotte	R. & A. McGraw	S/f Residential	Rehab
Longfellow Dutch Hill	2925 Charlotte	J. Blubaugh	S/f Residential	Rehab
Manheim Park	3908 Manheim	A, O'Connell & J. Cardwell	S/f Residential	Rehab
Marlborough CC	8037 Brooklyn	O. Smith	S/f Residential	Rehab
Marlborough CC	1810 E. 78 th	T. & R. Simmons	S/f Residential	Rehab
Marlborough CC	1204 E. 84th Terr.	KC Community Land Trust	S/f Residential	New
Marlborough CC	1400 E. 80 th	KC Community Land Trust	S/f Residential	New
Oak Park	3720 Monroe	L. King & R. Bostic	S/f Residential	Rehab
Oak Park	3322 Brooklyn	Norris & Bryant	S/f Residential	Rehab
Oak Park	3342 Bellefontaine	Blackbird Real Estate	S/f Residential	Rehab
Oak Park	3420 Mersington	SSC Property Holdings	S/f Residential	Rehab
Oak Park	3935 Jackson	SSC Property Holdings	S/f Residential	Rehab
Oak Park	4008 South Benton	CORE Urban Renew	S/f Residential	Rehab
Scarritt Renaissance I	412 Gladstone	D. Sullivan	S/f Residential	Rehab
Scarritt Renaissance II	3916 Norledge	M. Taylor	S/f Residential	Rehab
Scarritt Renaissance II	4220 Sunrise	A. Htoo	S/f Residential	Rehab
Scarritt Renaissance II	3620 Windsor	JPC Property Holdings	S/f Residential	Rehab
Scarritt Renaissance II	3903 Morrell	JPC Property Holdings	S/f Residential	Rehab
Townfork Creek	5730 College	Genine Worten	S/f Residential	Rehab
Townfork Creek	5009 Chestnut	W. Brown	S/f Residential	Rehab
Troost Paseo	4608 Forest	R. Rodriguez	S/f Residential	Rehab
Wabash Village	5131 Olive	825 Rentals	S/f Residential	Rehab

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

EXECUTIVE SESSION

9. *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

10. **Adjourn.**