

# Board Meeting Agenda

## Tax Increment Financing Commission

City of Kansas City, Missouri

DATE: May 15, 2024  
TIME: **9:30 a.m.**  
PLACE: Economic Development Corporation Board Room, 4<sup>th</sup> Floor  
300 Wyandotte  
Kansas City, Missouri

## Videoconference

<https://us06web.zoom.us/j/86243836181?pwd=llD31SZgz57lCyBmZ33v3TeykkU6iu.1>

**Meeting ID: 862 4383 6181**

**Passcode: 845408**

**Phone: (312) 626-6799**

# PUBLIC HEARING AGENDA ITEMS

## *JACKSON COUNTY/HICKMAN MILLS*

### **PUBLIC HEARING – 9:30 AM**

#### *ROLL CALL*

1. **Pioneer Plaza – 1<sup>st</sup> Amendment TIF Plan: Consideration of approval of the First Amendment of the Pioneer Plaza TIF Plan and other matters related thereto. (David Leader)**

*Action recommended:* CONTINUING THE PUBLIC HEARING TO 9:30 AM JULY 10, 2024.

## *JACKSON COUNTY/KCMO*

### **PUBLIC HEARING – 9:35 AM**

#### *ROLL CALL*

2. **Proposed 14<sup>th</sup> & Wyandotte TIF Plan: Consideration of approval of the proposed 14<sup>th</sup> & Wyandotte TIF Plan, and other matters related thereto. (David Leader)**

*Action recommended:* WITHDRAWN

## **ADMINISTRATIVE TIF COMMISSION AGENDA ITEMS**

### **MINUTES**

3. **Consideration of acceptance of Minutes of the following Administrative and Counties/School Districts, and other matters related thereto. (La’Sherry Banks) Exhibit 3**

The April 9, 2024 meeting minutes are included for the Commission’s review prior to the meetings.

*Action recommended:* ACCEPTANCE OF THE ADMINISTRATIVE COMMISSION AND RELATED COUNTIES/SCHOOL DISTRICTS MINUTES AS PRESENTED.

**COST CONSENT ITEMS RELATED TO SPECIFIC TIF PLANS**

**4. Cost Consent Agenda: Consideration of approval of the Cost Consent Agenda, and other matters related thereto. (Gloria Garrison) Exhibit 4**

The Cost Consent Agenda items for April 2024 are included in the Commission’s Board Packets for review prior to the meeting. The following items are included:

- Cost Certifications (Exhibit 4)

**KCI Corridor TIF Plan: Consideration of certification of costs totaling \$87,086.26 and other matters related thereto. (Jennifer Brasher)**

Request from:	MD Management, Inc
Total amount requested:	\$34,011.75
Use of funds:	7D road construction and soft costs
Cost certifier:	Ralph Johnson
Questioned or disallowed costs:	None
EATs reporting requirement:	79% compliant for the current reporting period (2 <sup>nd</sup> Half 2023, reports are due 1-31-2024). 82% Compliant for the last reporting period

Notes: Certification Report 2021-29 for costs related to commission expenses, project 7D. A portion of this request will be paid from a bond draw—see schedule below.

	<b>Bond Draw Portion- Project, Surplus &amp; Admin Fund</b>	<b>Pay As You Go Portion</b>	<b>Total Certification</b>
KCI Corridor			
MDM - Project 7D	34,011.75		34,011.75
	\$ 34,011.75	\$ -	\$ 34,011.75

Recommendation: Approval of certification of costs totaling \$34,011.75. Reimbursement is subject to the issuance of a Certificate of Partial Completion.

**KCI Corridor TIF Plan: Consideration of certification of costs totaling \$394,855.12 and other matters related thereto. (Gloria Garrison)**

Request from: MD Management, Inc  
 Total amount requested: \$394,855.12  
 Use of funds: 7D road construction, soft costs and TIF commission expenses  
 Cost certifier: Ralph Johnson  
 Questioned or disallowed costs: None  
 EATs reporting requirement: 79% compliant for the current reporting period (2<sup>nd</sup> Half 2023, reports are due 1-31-2024). 82% Compliant for the last reporting period

Notes: Certification Report 2021-30 for costs related to commission expenses, project 7D. A portion of this request will be paid from a bond draw—see schedule below.

	<b>Bond Draw Portion-</b>		
	<b>Project, Surplus &amp; Admin Fund</b>	<b>Pay As You Go Portion</b>	<b>Total Certification</b>
KCI Corridor			
MDM - Commission Exp	\$ 6,915.00		\$ 6,915.00
MDM - Project 7D	387,940.12		387,940.12
	\$ 394,855.12	\$ -	\$ 394,855.12

Recommendation: Approval of certification of costs totaling \$394,855.12. Reimbursement is subject to the issuance of a Certificate of Partial Completion.

**Bannister & Wornall: Consideration of certification of costs totaling \$3,103,671.31 and other matters related thereto. (Gloria Garrison)**

Request from: Burns & McDonell  
 Total amount requested: \$3,103,671.31  
 Use of funds: Interest Costs  
 Cost certifier: Ralph Johnson  
 Questioned or disallowed costs: \$3,103,671.31  
 EATs reporting requirement: 100% compliant for the current reporting period (2<sup>nd</sup> Half 2023, reports are due 1-31-2024). 100% Compliant for the last reporting period

Notes: Certification report for cost related for 2022-2023 project A & B interest.

Recommendation: Approval of the certification of costs totaling \$3,103,671.31.

*Action recommended:* APPROVAL OF THE COST CONSENT AGENDAS AND AUTHORIZE AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE A RESOLUTION APPROVING THE SAME.

**CERTIFICATES OF COMPLETION & COMPLIANCE RELATED TO SPECIFIC TIF PLANS**

**5. Eleventh Street Corridor TIF Plan: Consideration of Approval of a Certificate of Completion and Compliance in Connection with Project Improvements, Project B within the Eleventh Street Corridor TIF Plan, and other matters related thereto. (Sandra L. Rayford) Exhibit 5**

This Certificate of Completion and Compliance is issued to Walnut Creek Ranch, LLC (the “Redeveloper”), in accordance with Section 11 of the Redevelopment Agreement, dated February 8, 2006 (the “Redevelopment Agreement”), between the Tax Increment Financing Commission of Kansas City, Missouri (the “Commission”) and the Redeveloper for all such requirements and obligations in connection with the completion of the Project Improvements contemplated by Redevelopment Project B of the Eleventh Street Corridor Tax Increment Financing Plan, as amended (the “TIF Plan” ), as more particularly described on **Exhibit A**, attached hereto (the “Completed Improvements”), and for which Redevelopment Project Costs related to such Completed Improvement were submitted and certified, as reflected by Miller Haviland Ketter’s (the “Cost Certifier”) Independent Accountant’s Report (the “Certification Report”), dated January 31, 2019.

The TIF Plan provides for the rehabilitation of the Centennial Building and the attached parking garage; development of the Cathedral Square Project, including two office buildings; upgrade of utilities and provision of additional parking; completion of streetscape improvements and historic preservation within the area, including 1021, 1029, and 1032 Pennsylvania Avenue, 1021, 1025 and 1033 Jefferson and renovation of existing structures for additional office space; rehabilitation and renovation of the Thayer Place; rehabilitation and renovation of the Poindexter Building; rehabilitation and renovation of the 700 Central Building; rehabilitation and renovation of the Lyric Building and replacement of the parking garage within Project C; the acquisition and rehabilitation of 1009 and 1015 Central and related facilities for expanded use by Crossroads Academy and development of additional office, commercial and residential space; together with all necessary utilities, including holiday lighting on and adjacent to Barney Allis Plaza and private and public improvements and appurtenances throughout the Redevelopment Area, including the Completed Improvements described on **Exhibit A** to the Plan.

**Redevelopment Project Costs**

	<b>Budget</b>	<b>Actual</b>
Total Project Improvement Costs	\$12,014,250	\$10,629,906
Total Project Costs Eligible for Reimbursement	\$ 1,992,506	\$ 2,109,589

The Redeveloper has complied with the Commission’s Certification of Costs and Reimbursement Policy, and the Commission, pursuant to the Cost Certification Resolution, has certified all Project Improvements, Reimbursable Project Costs incurred relating to Completed Projects, and Infrastructure Improvements. Staff recommends approval of the Certificate of Completion and Compliance.

*Action recommended:*

APPROVAL OF THE CERTIFICATE OF COMPLETION AND COMPLIANCE TO WALNUT CREEK RANCH, LLC FOR COSTS RELATED TO COMPLETED PROJECT IMPROVEMENTS WITHIN THE ELEVENTH STREET CORRIDOR TIF PLAN AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE A RESOLUTION APPROVING THE SAME.

## **AGREEMENTS RELATED TO SPECIFIC TIF PLANS**

### **6. Platte Purchase TIF Plan: Consideration of a Funding Agreement between the TIF Commission and the City of Kansas City, Missouri regarding the construction of the Platte Purchase Trail Connector, pursuant to the Platte Purchase Development Plan and other matters related thereto. (Denvoir Griffin) Exhibit 6**

On July 28, 2016, the City Council (the “Council”) of Kansas City, Missouri (the “City”), by way of Ordinance No. 160415, approved the Platte Purchase Development Plan, which has been amended from time to time by a series of ordinances passed by the Council (the “TIF Plan”) for an area designated therein as the redevelopment area (the “Redevelopment Area”).

The Plan provides, among other things, for the design and construction of certain roadways and other public infrastructure improvements within and adjacent to the Redevelopment Area. Hunt Midwest Real Estate Development, Inc., with the support of the City Manager’s office, intends to submit for recommendation to the Platte Purchase Advisory Committee a recommendation for an amendment to the TIF Plan that shall provide for the construction of a trail connector, beginning at N. Holly Street and continuing west approximately 2,700 linear feet to Platte Purchase Drive (the “Trail Improvements”).

In order to assist in financing the Trail Improvements, the City has expressed an interest in contributing Two Hundred Fifty Thousand Dollars (\$250,000) toward the costs of the Trail Improvements.

The Funding Agreement, attached as **Exhibit 6** to the Commission Board Packet, has been prepared by legal counsel and reviewed by staff and it provides, in part, that (A) the City, subject to appropriation, shall contribute \$250,000 to the Commission for the purpose of reimbursing certified redevelopment project costs related to the Trail Improvements and (B) the Commission (1) shall deposit such money into a separate account, which shall be segregated on the books and records of the Commission from all other money, revenue, funds and accounts of the Commission, and (2) shall utilize such contribution to pay \$250,000 of the redevelopment project costs related to the Trail Improvements, which have been certified by the Commission, pursuant to its Certification of Costs and Reimbursement Policy.

The attached Funding Agreement has been prepared by legal counsel and reviewed by staff, and, to the extent the Commission finds the terms of the Funding Agreement, as outlined by this agenda item, to be acceptable, staff and legal counsel recommend its approval, subject to modifications accepted by the Chair, Executive Director and legal counsel and further subject to the City Council’s approval of an amendment to the Platte Purchase Development Plan that would incorporate the Trail Improvements.

*Action recommended:*

APPROVAL OF THE FUNDING AGREEMENT WITH THE CITY OF KANSAS CITY, MISSOURI REGARDING A PORTION OF THE PLATTE PURCHASE DRIVE, AS CONTEMPLATED BY THE PLATTE PURCHASE DEVELOPMENT PLAN, SUBJECT TO MODIFICATIONS ACCEPTED BY THE CHAIR, EXECUTIVE DIRECTOR, AND LEGAL COUNSEL AND FURTHER SUBJECT TO THE CITY COUNCIL’S APPROVAL OF AN AMENDMENT TO THE PLATTE PURCHASE DEVELOPMENT PLAN THAT WOULD INCORPORATE THE TRAIL IMPROVEMENTS DESCRIBED BY THE FUNDING AGREEMENT.

7. **Overlook TIF Plan: Consideration of the approval of an Acknowledgement to the Collateral Assignment of TIF Proceeds between Oz Development Company, LLC and Health Forward Foundation and other matters related thereto (Wesley Fields) Exhibit 7**

A plan for redevelopment known as the Overlook Tax Increment Financing Plan (the “TIF Plan”) for an area designated therein as the redevelopment area (the “TIF Area”) was approved by the City Council of the City (the “Council”) by its passage of Ordinance No. 200942 (the “TIF Ordinance”). A plan known as the Overlook PIEA General Development Plan (the “PIEA Plan”) for an area designated therein (the “PIEA Area”) was approved by the Council by its passage of Ordinance No. 200990 (the “PIEA Ordinance”).

The PIEA Area and the TIF Area are coterminous (together, the “Redevelopment Area”) and the TIF Plan and the PIEA Plan both provide for the construction within the Redevelopment Area of up to 60,000 square feet of new office building and 185 surface parking spaces, along with interior driveways, and potentially a health fitness trail and public plaza areas associated with the building, together with the construction or reconstruction of such other public infrastructure improvements such as signage, signaling, sidewalks, storm drainage facilities, utility relocation and upgrades, structured parking facilities, curbs, and such other related public infrastructure improvements that support and enhance the Project Improvements (collectively, the “Project Improvements”).

On July 9, 2021, the Tax Increment Financing Commission of Kansas City, Missouri (the “Commission”), The Planned Industrial Expansion Authority of Kansas City, Missouri (“PIEA”), and Oz Development Company, LLC (the “Developer”) entered into a Redevelopment Agreement, as amended on December 15, 2022 (the “Development Agreement”). The Development Agreement provides, in part, for the Developer to implement the Project Improvements and for the Commission, subject to the terms and conditions of the Redevelopment Agreement, to reimburse certain costs incurred by the Developer in connection with the implementation of the Project Improvements, from available Economic Activity Taxes, Payments in Lieu of Taxes and Additional City EATs generated by the Redevelopment Project Areas described by the TIF Plan (the “TIF Proceeds”).

The Developer intends to obtain a loan from Health Forward Foundation (the “Lender”) in connection with its initial financing of the redevelopment project costs associated with the implementation of the Project Improvements to be undertaken pursuant to the Redevelopment Agreement, as amended (the “Loan”).

In connection with the Loan, the Developer, as borrower, intends to enter into a Financial Support Agreement with the Lender, and a Promissory Note in an amount not to exceed

\$20,000,000 (as modified, amended or restated, the “Loan” or the “Note”) (the Note, the Financial Support Agreement and all other documents and instruments, including a deed of trust (the “Deed of Trust”), as described in the Financial Support Agreement, and any other security and collateral assignment documents now or at any time hereafter evidencing and/or securing all present and future indebtedness of the Developer, as borrower, to the Lender with respect to all indebtedness, liabilities and obligations of the Developer to the Lender, each as originally written and/or at any time amended, modified, renewed or substituted are hereinafter collectively referred to as the “Financial Support Documents”).

The Lender has required as a condition of the consummation of transactions contemplated by the Financial Support Documents that the Developer collaterally assign to the Lender (and grant to the Lender a security interest in) all of the Developer’s right, title and interest under the Redevelopment Agreement to receive TIF Proceeds as reimbursement for Certified Costs (as defined in the Redevelopment Agreement) and that the Developer: (i) grant the Lender with the right to receive and control such TIF Proceeds that the Developer is entitled to receive under the Redevelopment Agreement; (ii) execute and deliver a copy of a Collateral Assignment to the Commission; (iii) take such steps as may be reasonably necessary to evidence and perfect the assignment of (and security interest in) such TIF Proceeds to the Lender in applicable public records; and (iv) upon notice from the Lender of a default by the Developer under any of the Financial Support Documents, direct the Commission to forward all TIF Proceeds to the Lender.

The Lender and the Developer are now requesting that the Commission execute an Acknowledgement to a Collateral Assignment of TIF Proceeds, which provides, in part, following a notice of default by the Lender, the Commission and the Developer acknowledge and agree that the Lender (i) shall have control of all payments that the Developer is entitled to receive with respect to TIF Proceeds and (ii) shall have the right and power to instruct and direct the Commission, pursuant to a written notice from the Lender to the Commission and without any further consent of the Developer, to make all payments that the Developer is entitled to receive with respect to TIF Proceeds directly to the Lender, or as the Lender may otherwise instruct and direct in writing to the Commission, all in accordance with the provisions of the Redevelopment Agreement.

Staff and legal counsel have reviewed and participated in preparing the Collateral Assignment of TIF Proceeds, attached to the Commission Packet as **Exhibit 7**, and the terms described within this Agenda item are contained within the Collateral Assignment of TIF Proceeds. If the Commission finds the terms of the Collateral Assignment of TIF Proceeds acceptable, staff and legal counsel recommend that the Commission approve the form of the Collateral Assignment of TIF Proceeds and authorize the Chair or Executive Director, upon receipt a fully executed Collateral Assignment of TIF Proceeds from the Developer and the Lender, to execute and deliver an Acknowledgement to the Collateral Assignment of TIF Proceeds to the Lender and the Developer.

*Action recommended:* APPROVAL OF THE EXECUTION OF AN ACKNOWLEDGMENT TO A COLLATERAL ASSIGNMENT OF TIF PROCEEDS BETWEEN THE OZ DEVELOPMENT COMPANY, LLC AND HEALTH FORWARD FOUNDATION FOR THE FINANCING OF CERTAIN COSTS RELATED TO THE IMPLEMENTATION OF THE OVERLOOK TAX INCREMENT FINANCING PLAN, SUBJECT TO MODIFICATIONS ACCEPTED BY THE CHAIR, EXECUTIVE DIRECTOR AND LEGAL COUNSEL AND SUBJECT TO THE COMMISSION'S RECEIPT OF A FULLY EXECUTED COLLATERAL ASSIGNMENT OF TIF PROCEEDS IN A FORM SUBSTANTIALLY SIMILAR TO EXHIBIT 7.

## **ADMINISTRATIVE MATTERS NOT RELATED TO SPECIFIC PLANS**

**8. Economic Activity Taxes: Consideration of the Economic Activity Taxes Report, and other matters related thereto. Exhibit 8**

*Action recommended:* NONE; INFORMATION ONLY.

**9. Affirmative Action and Contract Compliance Subcommittee Reports: Consideration of acceptance of the Affirmative Action Reports and Contract Compliance Reports, and other matters related thereto. (Sandra L. Rayford) Exhibit 9**

Enclosed with the board packet is a copy of the MBE/WBE for the month ending March 2024 for your review.

*Action recommended:* NONE; INFORMATION ONLY.

**10. Governance, Finance and Audit Subcommittee: Consideration of Governance, Finance and Audit Reports, and other matters related thereto.**

The Governance, Finance, and Audit Subcommittee did not meet on May 8th to consider the following items:

- Monthly Financials as prepared by Hood & Associates  
(Michael Keenan of Hood & Associates)

*Action recommended:* ACCEPTANCE OF THE FINANCIAL REPORT.

**11. Neighborhood & Housing Subcommittee Report: Consideration of the Neighborhood & Housing Report, and other matters related thereto. (Ryana Parks-Shaw)**

*Action recommended:* NONE; INFORMATION ONLY.

**12. Chair's Report: Consideration of the Chair's Report, and other matters related thereto.**

*Action recommended:* NONE; INFORMATION ONLY.

**13. Administrative: Consideration of the Executive Director’s Report, and other matters related thereto.**

Extension of the agreement for legal services with Bryan Cave Leighton and Paisner for 2 months beginning May 1, 2024.

City Auditor – Scope Statement for TIF deliverables audit.

*Action recommended:* NONE; INFORMATION ONLY.

**EXECUTIVE SESSION**

**14. Consideration of legal matters, real estate matters, sealed bids or proposals, or confidential communications between the Commission pursuant to Section 610.021(1), (2), (12), or (17), RSMo, respectively. (Chair Canady)**

**RESUME BUSINESS SESSION**

**15. Adjournment**

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**high-performance work system  
technology  
organizational structure  
people  
processes  
all work together**