

Board Meeting Agenda

Tax Increment Financing Commission

City of Kansas City, Missouri

DATE: November 14, 2023
TIME: **9:30 am**
PLACE: Economic Development Corporation Board Room, 4th Floor
300 Wyandotte
Kansas City, Missouri

Videoconference

<https://us06web.zoom.us/j/89120225749?pwd=cHc3OTlpMmFNK2pqZFIGdEROazlvdz09>

Meeting ID: 891 2022 5749

Passcode: 199445

By Telephone: +1 312 626 6799

PUBLIC HEARING AGENDA ITEMS

JACKSON COUNTY/KCMO

PUBLIC HEARING – 9:40 AM

1. **Pioneer Plaza TIF Plan – First Amendment: Consideration of approval of the First Amendment of the Pioneer Plaza TIF Plan and other matters related thereto.**

Action recommended: CONTINUE THE PUBLIC HEARING TO 10:10 AM ON DECEMBER 12, 2023.

PUBLIC HEARING – 9:50 AM

2. **Proposed Historic Northeast TIF Plan: Consideration of approval of the proposed Historic Northeast TIF Plan and other matters related thereto.**

Action recommended: CONTINUE THE PUBLIC HEARING TO 10:20 AM ON DECEMBER 12, 2023.

PUBLIC HEARING – 10:00 AM

3. **Proposed West Bottoms TIF Plan: Consideration of approval of the proposed West Bottoms TIF Plan and other matters related thereto.**

Action recommended: TO BE CONTINUED.

PUBLIC HEARING – 10:10 AM

4. **Proposed 14th & Wyandotte TIF Plan: Consideration of approval of the proposed 14th & Wyandotte TIF Plan and other matters related thereto. (David Leader) Exhibit 4**

Purpose: The purpose of this hearing is for the TIF Commission to consider recommending to the City Council of Kansas City, Missouri approval of the 14th & Wyandotte Tax Increment Financing Plan (the “Redevelopment Plan” or “Plan”) and the designation of the Redevelopment Area and the Redevelopment Project Areas described by the Redevelopment TIF Plan.

Redevelopment Plan Area: The proposed Redevelopment Area described by the Plan in which the Project Improvements and Public Improvements shall be constructed is located on an approximately 1.06 acre site located on the northeast corner of West 14th Street and Wyandotte Street at the western edge of the Power & Light District and which is generally bounded by 14th Street on the north, 13th Street on the south, Baltimore Avenue on the east and Wyandotte Street on the west in Kansas City, Jackson County, Missouri.

Notices: All public notices were mailed and published according to statutory requirements.

General Description of the 14th & Wyandotte TIF Plan: The 14th & Wyandotte Tax Increment Financing Plan provides for the construction of an approximately 27 story,

690,000 square foot mixed-use building containing (A) approximately 300 market rate residential units, except for 60 units which shall be reserved as “affordable housing” units for tenants who earn less than 60% of the Kansas City, Missouri median household income, (B) approximately 200 hotel rooms, and (C) an approximately 358 space parking garage to support the same, together with the construction or reconstruction of such other public infrastructure improvements, including without limitation sanitary and storm sewers, utilities, sidewalks, and any other required or desirable infrastructure related to the Project Improvements, and such other related public infrastructure improvements that support and enhance the Project Improvements.

Redevelopment Project Costs: The estimated Redevelopment Project Costs to implement the Project Improvements and Public Improvements is \$196,968,689, which includes approximately \$11,654,225 of construction financing interest costs.

Projections and Application of Payments in Lieu of Taxes and Economic Activity Taxes: The Redeveloper intends to enter into agreements with Land Clearance For Redevelopment Authority of Kansas City, Missouri (“LCRA”), which shall provide that LCRA shall acquire and lease all the real property within the Redevelopment Project Area for a period to include the construction period, plus Seventeen (17) years to the Redeveloper or its Affiliates, which shall result in no Payments in Lieu of Taxes being generated within the Redevelopment Project Area (the “Sale Lease Back Financing”). As a result of the Sale Lease Back Financing, no PILOTS are anticipated to be generated during the period in which Tax Increment Financing shall remain in effect; provided however, in the event and to the extent that PILOTS are generated by the Redevelopment Project such PILOTS will be available for reimbursement of Reimbursable Project Costs.

Anticipated Sources of Funds and Evidence of Commitments to Finance: Developer has submitted evidence of financing commitments.

Initial Equalized Assessed Value: The total initial equalized assessed valuation of the Redevelopment Area, according to 2023 tax records at the Jackson County Assessor’s Office, is approximately \$847,072. The 2023 calendar year combined ad valorem property tax levy is \$7.8179 per \$100 assessed valuation for residential property and \$9.2549 per \$100 assessed valuation for commercial property. Following the completion of the Project Improvements and Public Improvements, It is estimated that the assessed value of the real property within the Redevelopment Area will increase to approximately \$23,641,359 and as of the end of the EATs Collection Period it is estimated that the assessed value of the real property within the Redevelopment Area will be approximately \$28,253,612.

Statutory Findings: It is Staff’s recommendation that the 14th & Wyandotte Tax Increment Financing Plan meets each of the required statutory findings identified by the TIF Act Statute. Specifically,

- **Blighted Area:** The Plan Redevelopment Area on the whole, based upon the report attached to the Plan, has been found by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or

constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use

- **But-For Analysis:** An analysis was performed by SB Friedman. There was also additional analysis provided by the developer. An affidavit was signed by City Manager, Brian Platt, attesting that the project improvements would not be implemented absent tax increment financing.
- **Tax-Impact Analysis:** Staff has prepared a cost-benefit analysis for the plan.
- **Finding the Area Conforms to the City’s Comprehensive Plan:** The Redevelopment Plan conforms to the City’s FOCUS Plan and the applicable Area Plan.
- **Redevelopment Schedule:** The Redevelopment Plan provides that the estimated date of completion of any redevelopment project described by the Plan and retirement of obligations incurred to finance redevelopment project costs identified by the Plan shall not occur later than twenty-three (23) years after such redevelopment project is approved by ordinance.
- **Relocation Plan:** The Redevelopment Plan contains a relocation assistance plan. The Plan does not contemplate the relocation of any businesses or residents.
- **Gambling Establishment:** The Redevelopment Plan does not include development or redevelopment of any gambling establishment.
- **Acquisition by Eminent Domain:** The Redevelopment Plan does not contemplate that any property located within a Redevelopment Project Area will be acquired by eminent domain later than five (5) years from the adoption of the Ordinance approving such Redevelopment Project.
- **Date to Adopt Redevelopment Project:** The Redevelopment Plan does not provide for the adoption of an Ordinance approving any Redevelopment Project later than ten (10) years from the adoption of the Plan.

Action recommended:

(1 OF 3) CLOSING THE PUBLIC HEARING.

(2 OF 3) APPROVAL OF THE 14TH & WYANDOTTE TAX INCREMENT FINANCING PLAN, AND FORWARD THE RECOMMENDATIONS TO THE CITY COUNCIL FOR APPROVAL.

(3 OF 3) APPROVAL OF THE DESIGNATION OF THE REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREAS, AND FORWARDING THE RECOMMENDATIONS TO THE CITY COUNCIL FOR APPROVAL

Action recommended:

TO THE EXTENT THE COMMISSION FINDS ACCEPTABLE THE PROVISIONS OF THE 14TH & WYANDOTTE TAX INCREMENT FINANCING PLAN, INCLUDING THE FINDINGS OF THE SB FRIEDMAN REPORT DATED 6/12/2023, THE PROJECTIONS OF THE PROPOSED REDEVELOPER RELATING TO THE REQUESTED ADDITIONAL TAX INCREMENT FINANCING, AND THE AFFIDAVIT OF THE CITY MANAGER ATTESTING THAT THE PROJECT IMPROVEMENTS WOULD NOT BE IMPLEMENTED ABSENT TAX INCREMENT FINANCING, ALL INCLUDED IN THE BOARD PACKET, AS WELL AS THE OTHER REMAINING STATUTORY REQUIREMENTS, STAFF RECOMMEND ITS APPROVAL, SUBJECT TO MODIFICATIONS ACCEPTED BY THE CHAIR, EXECUTIVE DIRECTOR, AND LEGAL COUNSEL.

PLATTE-CLAY COUNTIES/PLATTE RIII

PUBLIC HEARING – 10:20 AM

5. **Platte Purchase Development Plan – Ninth Amendment: Consideration of approval of the Ninth Amendment of the Platte Purchase Development Plan and other matters related thereto.**

Action recommended:

CONTINUE THE PUBLIC HEARING TO 10:30 AM ON DECEMBER 12, 2023.

PUBLIC HEARING – 10:25 AM

6. **Platte Purchase Development Plan – Tenth Amendment: Consideration of approval of the Tenth Amendment of the Platte Purchase Development Plan and other matters related thereto.**

Action recommended:

CONTINUE THE PUBLIC HEARING TO 10:35 AM ON DECEMBER 12, 2023.

ADMINISTRATIVE TIF COMMISSION AGENDA ITEMS

MINUTES

7. **Consideration of acceptance of Minutes of the following Administrative and Counties/School Districts and other matters related thereto. (*La'Sherry Banks*) Exhibit 7**

Minutes of October 2023 meeting Minutes are included for the Commission's review prior to the meeting.

Action recommended:

ACCEPTANCE OF THE ADMINISTRATIVE COMMISSION AND RELATED COUNTIES/SCHOOL DISTRICTS MINUTES AS PRESENTED.

COST CONSENT ITEMS RELATED TO SPECIFIC TIF PLANS

8. Cost Consent Agenda: Consideration of approval of the Cost Consent Agenda and other matters related thereto. (Heather Brown) Exhibit 8

The Cost Consent Agenda items for November 2023 are included in the Commission’s Board Packets for review prior to the meeting. The following items are included:

- Cost Certifications (**Exhibit x**)

Platte Purchase TIF Plan: Consideration of certification of costs totaling \$32,748.71 and other matters related thereto. (Heather Brown)

Request from:	MD Management Inc.
Total amount requested:	\$32,748.71
Use of funds:	Legal and Construction Period Interest
Cost certifier:	Ralph Johnson
Questioned or disallowed costs:	None
EATs reporting requirement:	100% compliant for the current reporting period (1 st Half 2023); prior reporting cycle 100% 2nd half 2022.

Recommendation: Approval of certification of costs totaling \$32,748.71

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

9. Overlook TIF Plan: Consideration of the Certification of Redevelopment Project Costs #24 (Heather Brown) Exhibit 9

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 “Redevelopment Area”) was approved by the City Council of the City (the “Council”) by its passage of Ordinance No. 200942 (the “TIF Ordinance”).

The TIF Plan provides that the estimated reimbursable Redevelopment Project Costs related to the implementation of Projects Improvements described therein are approximately \$23,283,520, which include (1) approximately \$2,995,838 of Economic Activity Taxes and (2)(a) approximately \$2,995,838 of Additional City EATs, (b) approximately \$150,000 sales tax approved and allocated by the Public Improvements Advisory Committee (PIAC) and (c) approximately \$5,150,000 in sales tax recommended by the Central City Economic Development Board (collectively, the City’s Additional Tax Contributions”).

On July 9, 2021, the Commission, the City, the Redeveloper and Novak Birks, P.C. (the “Cost Certifier”) entered into a Tax Contribution and Disbursement Agreement, which was amended on February 2, 2022, and on December 15th, 2022, and times after (collectively, the

“Tax Contribution Agreement”), and which provides, in part, for the procedures related to the certification of redevelopment project costs and the disbursement of the City’s Additional Tax Contributions.

In accordance with the Tax Contribution Agreement and pursuant to the Cost Certifier’s Report to the Commission #24 dated October 30th, 2023 (the “Cost Certifier Report”), which, with the consent of the City, the Redeveloper requested \$56,336 in costs and the Certifier certified \$56,336 and questioned \$0.00 of redevelopment project costs related to Landscaping, Site Utilities and Contingency for reimbursement from CCEDI. Based upon such certification and consent by the City, Central City Sales Tax contributed by the City to the Commission was utilized to pay such redevelopment project costs identified by the Cost Certifier Report.

In accordance with Exhibit B to the Tax Contribution Agreement, entitled, “Cost Certification and Payment Procedures”, staff recommends that the Commission approve certification of \$56,336 of redevelopment project costs funded with Central City Sales Tax.

Action Recommended: APPROVAL OF THE CERTIFICATION OF \$56,336 OF REDEVELOPMENT PROJECT COSTS IDENTIFIED BY THE OVERLOOK TIF PLAN TO BE FUNDED WITH CENTRAL CITY SALES TAX, AS HAS BEEN CERTIFIED BY NOVAK BIRKS, P.C. AND CONSENTED TO BY THE CITY OF KANSAS CITY, MISSOURI 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

10. Bannister & Wornall TIF Plan: Consideration of Approval of a Certificate of Completion and Compliance in Connection with Project Improvements within the Bannister & Wornall TIF Plan, and other matters related thereto. (Sandra L. Rayford) Exhibit 10

This Certificate of Completion and Compliance is issued to Burns & McDonnell Engineering Company, Inc. (the “Redeveloper”), in accordance with Section 18 of the Redevelopment Agreement, dated October 8, 2014, as amended March 6, 2018 and November 14, 2022 (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 improvements contemplated by the Bannister & Wornall 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 Improvements were submitted and certified, as reflected by Ralph C. Johnson & Company, P.C.’s Revised Independent Accountant’s Report dated May 17, 2023 (the “Cost Certifier Report”).

REDEVELOPMENT PROJECT COSTS:

Budget

Actual

Total Cost of Project Improvements	\$232,219,643	\$123,393,979
Redevelopment Costs Eligible for Reimbursement	\$42,306,162	\$ 46,086,513

The Redeveloper satisfactorily complied with the policies attached to and incorporated within the Redevelopment Agreement, including the Commission’s Work Force Policy and Ordinance No. 180535, as amended (the “MBE/WBE Ordinance”).

The Redeveloper has complied with the Commission’s Certification of Costs and Reimbursement Policy and the Commission has certified all Redevelopment Project Costs incurred that are eligible for reimbursement that relate to the Partially Completed Project Improvements described on Staff recommends approval of the Certificate of Completion and Compliance.

Action recommended: APPROVAL OF THE CERTIFICATE OF COMPLETION AND COMPLIANCE TO THE BURNS & MCDONNELL ENGINEERING COMPANY, LLC FOR THE COSTS RELATED TO THE COMPLETED PROJECT IMPROVEMENTS AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE A RESOLUTION APPROVING THE SAME.

11. Antioch Crossing TIF Plan: Consideration of Approval of a Certificate of Partial Completion and Compliance in Connection with Project and Public Improvements within the Antioch Crossing TIF Plan, and other matters related thereto. (Sandra L. Rayford) Exhibit 11

This Certificate of Partial Completion and Compliance is issued to Antioch Redevelopment Partners, LLC (the “Redeveloper”) in accordance with the Amended and Restated Agreement (the “Redevelopment Agreement”), dated February 1, 2013 (the “Redevelopment Agreement”), between the Tax Increment Financing Commission of Kansas City, Missouri (the “Commission”) and Antioch Redevelopment Partners, LLC (the “Redeveloper”) for the implementation of the Antioch Crossing Tax Increment Financing Plan, as amended (the “TIF Plan”).

This Certificate of Partial Completion and Compliance is issued to the Redeveloper in accordance with Section 18 of the Redevelopment Agreement for all such requirements and obligations in connection with the construction of Project Improvements and Infrastructure Improvements that are identified in the Antioch Crossing TIF Plan Schedule of Project Costs Submitted and Certified for Reimbursement, pursuant to an Independent Accountant’s Report, dated February 28, 2023, by Hood & Associates, CPAs, PC (the “Partially Completed Project and Infrastructure Improvements”) and Resolution No. 8-1-2023 (the “Cost Certification Resolution”).

The Antioch Crossing TIF Plan, which was approved by the City Council on April 12, 2022, by its passage of Ordinance No. 120083, and which has been amended several times thereafter by a series of Ordinance passed by the City Council, provides for the demolition of

the existing Antioch Center Mall to construct a mixed-use development including approximately 91,285 square feet of new retail, approximately 96 units of senior housing and rehab 169,344 square feet of office and retail and construct necessary public improvements and infrastructure including parking, utilities and streetscapes (the “Plan Improvements”).

REDEVELOPMENT PROJECT COSTS:

	<u>Budget</u>	<u>Actual</u>
Total Cost of Project and Public Improvements	\$100,770,105	\$60,000,000
Redevelopment Costs Eligible for Reimbursement	\$ 58,025,074	\$30,320,629

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 and Public Improvements Reimbursable Project Costs incurred that relate to Partially Completed Project and Infrastructure Improvements.

Action recommended: APPROVAL OF THE CERTIFICATE OF PARTIAL COMPLETION AND COMPLIANCE TO ANTIOCH REDEVELOPMENT PARTNERS, LLC FOR COSTS RELATED TO PARTIALLY COMPLETED PROJECT AND PUBLIC IMPROVEMENTS AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE A RESOLUTION APPROVING THE SAME.

ADMINISTRATIVE MATTERS NOT RELATED TO SPECIFIC PLANS

12. Economic Activity Taxes: Consideration of the Economic Activity Taxes Report and other matters related thereto. Exhibit 12

Action recommended: NONE; INFORMATION ONLY.

13. 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)

The Affirmative Action/Contract Compliance Committee did not meet during the month of October 2023.

Action recommended: NONE; INFORMATION ONLY.

14. Governance, Finance and Audit Subcommittee: Consideration of Governance, Finance and Audit Reports, and other matters related thereto. Exhibit 14

Action recommended: ACCEPTANCE OF THE FINANCIAL REPORT.

15. **Neighborhood & Housing Subcommittee Report:** Consideration of the Neighborhood & Housing Report and other matters related thereto. *(Ryana Parks-Shaw) Exhibit 15*

Action recommended: NONE; INFORMATION ONLY.

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

Action recommended: NONE; INFORMATION ONLY.

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

Action recommended: NONE; INFORMATION ONLY.

EXECUTIVE SESSION

18. 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

19. **Adjournment**

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