

Board Meeting Agenda

Tax Increment Financing Commission

City of Kansas City, Missouri

DATE: December 11, 2024
TIME: **9:30 a.m.**
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/HICKMAN MILLS

PUBLIC HEARING – 9:30 AM

ROLL CALL

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. (*David Leader*)

Action recommended: CONTINUE THE PUBLIC HEARING TO 9:30 AM, FEBRUARY 12, 2025.

ADMINISTRATIVE TIF COMMISSION AGENDA ITEMS

MINUTES

2. **Consideration of acceptance of Minutes of the following Administrative and Counties/School Districts and other matters related thereto.** (*La’Sherry Banks*) Exhibit 2

The November 13, 2024 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

3. **Cost Consent Agenda**: Consideration of approval of the Cost Consent Agenda, and other matters related thereto. (*Gloria Garrison*) Exhibit 3

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

- Cost Certifications (**Exhibit 3**)

Parvin TIF Plan: Consideration of certification of costs totaling \$978,494 and other matters related thereto. (*Gloria Garrison*)

Request from:	Hunt Midwest
Total amount requested:	\$978,494
Use of funds:	Improvement of 48 th Street widening
Cost certifier:	Novak Birks
Questioned or disallowed costs:	None

EATs reporting requirement: 85% compliant for the current reporting period (1st Half 2024, reports are due 7-31-2024). 90% Compliant for the last reporting period

Notes: Pay Application #2 for costs related to 48th Street widening and project management.

Recommendation: Approval of certification of costs totaling \$978,494. Reimbursement is subject to the issuance of a Certificate of Completion.

Parvin TIF Plan: Consideration of certification of costs totaling \$1,687,886 and other matters related thereto. (Gloria Garrison)

Request from: Hunt Midwest
Total amount requested: \$1,687,886
Use of funds: Project 4
Cost certifier: Novak Birks
Questioned or disallowed costs: None
EATs reporting requirement: 85% compliant for the current reporting period (1st Half 2024, reports are due 7-31-2024). 90% Compliant for the last reporting period

Notes: Pay Application #146 for costs related to construction period interest, construction costs, project management, and TIF administration.

Recommendation: Approval of certification of costs totaling \$1,687,886. Reimbursement is subject to the issuance of a Certificate of Completion.

Historic Northeast TIF Plan: Consideration of certification of costs totaling \$463,088 and other matters related thereto. (Gloria Garrison)

Request from: Historic Northeast Lofts LLC
Total amount requested: \$463,088
Use of funds: TIF Reimbursable costs
Cost certifier: Hood and Associates CPAs
Questioned or disallowed costs: None
EATs reporting requirement: None at this time

Notes: Funds will be paid via bond draw #2. Use of funds primarily for architect/design, environmental report, soft contingency and cost certification/consulting.

Recommendation: Approval of reimbursement and direct pay of certified costs in the amount of \$463,088 from bond draw.

Downtown Library District TIF Plan: Consideration of certification of costs totaling \$572,454 and other matters related thereto. (Gloria Garrison)

Request from:	DTC One, LLC
Total amount requested:	\$572,454
Use of funds:	Project costs
Cost certifier:	Hood and Associates CPAs
Questioned or disallowed costs:	None
EATs reporting requirement:	75% compliant for the current reporting period (1st Half 2024, reports are due 7-31-2024). 100% Compliant for the last reporting period

Notes: Direct pay of expenses related to project costs.

Recommendation: Approval of certification of costs totaling \$572,454. Reimbursement is subject to the issuance of a Certificate of Completion.

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.

CERTIFICATES OF COMPLETION & COMPLIANCE RELATED TO SPECIFIC TIF PLANS

4. Historic Northeast TIF Plan: Consideration of Approval of a Certificate of Partial Completion and Compliance in Connection with the Implementation of the Historic Northeast within the Historic Northeast TIF Plan and other matters related thereto. (Sandra L. Rayford) Exhibit 4

This Certificate of Partial Completion and Compliance is issued to Historic Northeast Lofts LLC, (the “Redeveloper”), in accordance with Section 20 of the Development Agreement (the “Agreement”, dated September 1, 2024, between the Tax Increment Financing Commission of Kansas City, Missouri (the “Commission”) and the Redeveloper for the implementation of a portion of the Project Improvements and Public Improvements described on **Exhibit A**, attached hereto (the Partially Completed Improvements”), and identified by the Historic Northeast Tax Increment Financing Plan (the “TIF Plan”) for which Redevelopment Project Costs were requested by the Redeveloper as of October 28, 2024 and thereafter submitted and certified, pursuant to the Hood & Associates, CPAs, PC’s Independent Accountant’s Report, dated November 21, 2024 (the “Cost Certifier Report”) and Commission Resolution No. 12-__-24 (the “Certification of Costs Resolution”).

The TIF Plan, which was approved by City Council on March 21, 2024 thereafter by Ordinance No. 240258 provides for the construction of (1) approximately 389 multi-family residential units, of which 322 shall be reserved as “affordable housing” for tenants who earn less than 80% of the Kansas City, Missouri median household income, approximately 13,000 square feet of retail space, an approximately 30,000 square foot daycare center and after school program space, and approximately 500 parking spaces (the “Project Improvements”) and the

construction or reconstruction of public infrastructure improvements, including, but not limited to sanitary and storm sewer, utilities, sidewalks, and any other required or desired infrastructure, that support and enhance the Project Improvements (collectively, the “Public Improvements”). Certain expenses have been incurred by the Redeveloper and certified by the Cost Certifier Report in connection with the Partially Completed Improvements described in **Exhibit A**, attached hereto.

	<u>Budget</u>	<u>Actual</u>
Total Project Improvements	\$178,931,655	\$14,685,589
Project Improvements Eligible for Reimbursement	\$ 46,433,000	\$14,685,589

The Redeveloper has complied with the Commission’s Certification Costs and Reimbursement Policy, as amended from time to time, and the Commission, pursuant to the Certification of Costs Resolution, has certified all Redevelopment Project Costs incurred that are eligible for reimbursement that relate to implementation of the Partially Completed Improvements. Staff recommends approval of the Certificate of Completion and Compliance.

Action recommended: APPROVAL OF THE CERTIFICATE OF PARTIAL COMPLETION AND COMPLIANCE TO HISTORIC NORTHEAST LOFTS, LLC FOR COSTS RELATED TO CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE A RESOLUTION APPROVING THE SAME.

AGREEMENTS RELATED TO SPECIFIC TIF PLANS

5. Union Hill TIF Plan: Consideration of the Redevelopment Agreement with the City of Kansas City, in connection with the implementation of a portion of the Union Hill TIF Plan (*Denvoir Griffin*) (Exhibit 5)

A plan for redevelopment known as the “Union Hill” 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 (the “City Council”) of the City of Kansas City, Missouri (the “City”) pursuant to City Council’s passage of Ordinance No. 971698 on December 18, 1997. The TIF Plan has been amended from time to time by a series of ordinances passed by the City Council.

The TIF Plan provides for the redevelopment of portions of the Redevelopment Area, including construction of a 106 room motel on the southeast corner of East 30th and Main Streets, acquisition and removal of spot-zoned, dilapidated, and obsolete apartment buildings and making available those sites for construction of single family detached homes, rehabilitation of existing single family homes, construction of market rate and affordable multi-family communities, creation of a Neighborhood Infrastructure Improvement Fund to make available loans and/or grants for existing owner-occupied homes and commercial property owners (the “Project Improvements”), together with all necessary utilities and street improvements, the construction or reconstruction of public infrastructure improvements, including, but not limited

to streetscape improvements, sidewalks, and any other required or desired infrastructure, that support and enhance the Project Improvements (the “Public Improvements”).

On November 13, 2024, the Commission considered and recommended, by Resolution, that the City approve a Fourth Amendment to the TIF Plan (the “Fourth Amendment”), which provides for (1) certain modifications to the description of the Redevelopment Area, (2) certain modifications to the Site Maps, (3) certain modifications to the description of Public Improvements, (4) certain modifications to the Redevelopment Schedule, (5) certain modifications to the Estimated Redevelopment Project Costs, (6) certain modifications to the Sources of Funds, (7) all PILOTs to be declared surplus and distributed to the impacted Taxing Districts located within the Redevelopment Area in accordance with the Act at such time as the Special Allocation Fund has accumulated, from the inception of the Plan, an aggregate amount of revenue equal to \$9,657,084 for the reimbursement of Reimbursable Project Costs, and (8) the inclusion of all conforming changes within the Exhibits to the Plan that are in furtherance of the foregoing modifications.

The City desires to undertake certain public infrastructure improvements contemplated by the Fourth Amendment, including repairing, replacing, or installing new sidewalks, brick pavers, curbs or curb extensions, ADA ramps, driveway approaches, parking lots, landscaping, and traffic calming measures, pursuant to city approved standards and medians, (the “Public Infrastructure Projects”).

The City desires to enter into a Redevelopment Agreement to implement Public Infrastructure Projects. Attached to the Board Packet as Exhibit 5 is a Redevelopment Agreement between the Commission and the City, which provides, in part, that (A) the City will design and construct the Public Infrastructure Projects in accordance with the terms and conditions of the Redevelopment Agreement, including the Commission’s policies and procedures incorporated therein, by November 18, 2025 and (B) the Commission shall reimburse the City for certain Redevelopment Project Costs incurred by the City, certified by the Commission and related to the Public Infrastructure Projects, in amount not to exceed \$4,441,184 from TIF Revenue generated and collected within the Redevelopment Area.

To the extent the Commission finds acceptable the terms of the Redevelopment Agreement, as described in this agenda item and as more particularly set forth in **Exhibit 5**, staff and legal counsel recommend approval, subject to modifications accepted by the Chair, Executive Director, and legal counsel and further subject to the Council’s approval of the First Amendment to the TIF Plan.

Action recommended:

APPROVAL OF THE REDEVELOPMENT AGREEMENT BETWEEN THE COMMISSION AND THE CITY OF KANSAS CITY, MISSOURI, IN CONNECTION WITH THE IMPLEMENTATION OF CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS CONTEMPLATED BY THE TIF PLAN, SUBJECT TO MODIFICATIONS ACCEPTED BY THE CHAIR, EXECUTIVE DIRECTOR, AND LEGAL COUNSEL AND FURTHER SUBJECT TO THE CITY COUNCIL OF KANSAS CITY, MISSOURI’S APPROVAL OF THE FOURTH AMENDMENT TO THE UNION HILL TIF PLAN.

ADMINISTRATIVE MATTERS NOT RELATED TO SPECIFIC PLANS

6. **Economic Activity Taxes: Consideration of the Economic Activity Taxes Report, and other matters related thereto. Exhibit 6**

Action recommended: NONE; INFORMATION ONLY.

7. **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 due to a lack of quorum. We have not received a report from the Civil Rights and Equal Opportunity Department.

Action recommended: NONE; INFORMATION ONLY.

8. **Governance, Finance and Audit Subcommittee: Consideration of Governance, Finance and Audit Reports, and other matters related thereto. Exhibit 8, 8A**

Monthly Financials prepared by Hood & Associates (Michael Keenan)

Quarterly Investment Report by Cory Adrians, KCMO

Action recommended: ACCEPTANCE OF THE FINANCIAL REPORT.

9. **Neighborhood & Housing Subcommittee Report: Consideration of the Neighborhood & Housing Report and other matters related thereto. Exhibit 9**

Action recommended: NONE; INFORMATION ONLY.

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

Action recommended: NONE; INFORMATION ONLY.

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

Action recommended: NONE; INFORMATION ONLY.

EXECUTIVE SESSION

12. **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

- x. **Adjournment**

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