

PUBLIC MEETING NOTICE

CENTRAL CITY ECONOMIC DEVELOPMENT SALES TAX BOARD

A public meeting of the Central City Economic Development Sales Tax Board will take place at the following place and time:

Thursday, March 19, 2020
11:30 am – 1:00 pm

1-650-479-3208 Call-in toll number (US/Canada) 76652533 Attendee access code

For the purposes of taking up the following matters:

Agenda

- A. Call to Order
- B. Approval of Minutes
 - December 10, 2019
 - February 25, 2020
- C. Treasurers Report
- D. Project/Contract Updates
 - Round I
 - Round II
- E. Reconsideration of Round I Recommendations
- F. Round III RFP
 - Goals
 - Project Management
 - Evaluation
- G. Other Business
- H. Adjourn

Additional Business

- There may be general discussion of matters related to the Central City Economic Development Sales Tax.
- Pursuant to subsections (1) and (12) of Section 610.021 of the Revised Statutes of Missouri, there may be a closed session to discuss a) legal matters, litigation or privileged communications with attorneys; and/or b) sealed proposals and related documents or any documents related to a negotiated contract.

Any person with a disability desiring reasonable accommodation to attend this meeting should contact the City's 311 Action Center.

MINUTES FOR
CENTRAL CITY ECONOMIC DEVELOPMENT SALES TAX BOARD

December 10, 2019

Meeting Date:

Tuesday, December 10, 2019
11:30 am - 1:30 pm
4400 Blue Parkway
Kansas City, Missouri 64130

Board Members Present:

Dr. Melissa Patterson Hazley
Mr. Ken Bacchus
Rev. Keith Brown (Via Phone)

Other Parties Present:

Jennifer Tidwell Housing Division Manager
Shontrice Patillo: City of Kansas City
Mark Dapp, City of Kansas City
Randy Dunn: Dean & Dunn, LLC
Cheryl Harrison Lee: Cheryl Harrison Lee Consulting Katie Chandler: City of Kansas
Councilman Brandon Ellington
Angela Pearson: Office of Councilwoman Parks Shaw

Community Members Present:

Ricardo Herron
Peter Hughes
Karmello Coleman
Horace Coleman
Rochelle Shelton
Cheryl Barnes
Enam Haddad
Marquita Taylor
Marlon Hammons
Theresa Perry

Call to Order: Melissa Patterson Hazley called the meeting to order at 11:40am.

Minutes: A motion was made to approve the minutes from previous meeting was made by Board Member Bacchus and Seconded by Board Member Brown. The motion passed unanimously.

Treasure's Report: Mark Dapp provided the Treasure's report.

Round 1 & 2 Contract Updates: Shontrice Patillo provided an update on round 1 and 2 projects and contracts.

Strategic Plan: Cheryl Harrison Lee provided an update and overview of the strategic planning process. During this discussion a SWOT analysis was conducted with community members present (their comments noted below) along with members of the CCED Board.

Strengths identified included: Expertise of consultants; Their is a clear process in place; Effective scoring system for projects; Experience of Board members and support staff

Weaknesses identified included; Limited information that is shared with the public; There has been a general lack of community input; Process has been reactive verses proactive

Opportunities identified included: Having a greater impact on the physical environment of the neighborhoods; Increasing livability in neighborhoods; Providing assistance to existing homeowners and renters; Strategic neighborhood stabilization; Transit oriented development

Threats identified included: Political environment; Scarce resources commiserate with the needs; Negative external narrative; Setting of the wrong narrative

Community Comments:

Karmello Coleman: There should be an emphasis on energy efficiency to bring down utility cost which is one of the cost burdens for residents to remain in their homes in the urban core.

John James: There should be tools available for middle-income families as well. Most programs are only available for low-income families.

Marquita Taylor: Ms. Taylor asked if CCED funds would be utilized for new construction or only renovations. Board Member Patterson Hazley responded by stating that the funds have been recommended for both new construction and renovation of existing structures.

Marlon Hammons: Mr. Hammons stated that their needs to be a clear vision from the community as to what they want to see happen. Mr. Hammons further stated that their are existing plans which identify the wants and needs of the community that should be looked at.

Cheryl Barnes: Ms. Barnes emphasized the need for energy efficiency as well as exterior improvements of residential units.

Guest Presentations: Coley Williams of CHES provided a review of banking initiatives and potential resources available to assist residents with homeownership, particularly those generally not considered credit worthy by traditional financial institutions

Jeffrey Williams, Director of City Planning Department, provided an update of the Central City Economic Development Sales Tax Databook

Adjourn: Board member Bacchus made a motion to adjourn which was seconded by Mr. Brown. The board members voted in the affirmative. The meeting adjourned at 2:05pm.

MINUTES FOR
CENTRAL CITY ECONOMIC DEVELOPMENT SALES TAX BOARD

February 25, 2020

Meeting Date:

Tuesday, February 25, 2020
9:30 am - 11:30 am
4400 Blue Parkway
Kansas City, Missouri 64130
Training Room 115 - Sporting KC

Board Members Present:

Mr. DJ Pierre
Dr. Melissa Patterson Hazley
Mr. Ken Bacchus
Dr. Makini King
Ms. Nia Richardson

City/Consulting Staff Present:

Randy Dunn: Dean & Dunn, LLC
Shaylyn Dean: Dean & Dunn, LLC
Cheryl Harrison Lee: Cheryl Harrison Lee Consulting
Jennifer Tidwell: KCMO, Neighborhoods & Housing Department
Shontrice Patillo: KCMO, Neighborhoods & Housing Department
Mark Dapp: KCMO, Finance Department
Katie Chandler: KCMO, Legal Department
Joseph Guarino: KCMO, Legal Department
Angela Pearson: KCMO, Office of Councilwoman Parks Shaw
Monica Sanders: KCMO, Office of the City Clerk
Jerry Helmick: KCMO, Human Relations Department
Jeffrey Williams: KCMO, City Planning Department
Dion Lewis: KCMO, Human Relations Department
Alexis Butler: KCMO, City Manager's Office

Community Members Present:

Deborah Mann
Forestine Beasley
Heather Brown
Lamar Miller
Enam Haddad
Ernestine Kennedy
Eslun Tucker
Michael Jantsch

Call to Order: Melissa Patterson Hazley called the meeting to order at 9:37am.

Swearing in of New Board members: Monica Sanders of the City Clerk's Office swore in Board members: Chairman Duval "DJ" Pierre, Makini King and Nia Richardson.

Overview of Agenda: Randy Dunn of Dean & Dunn, LLC provided brief overview of the agenda.

Legal Review: Katie Chandler of the KCMO Law Department presented on legal matters concerning the Board including review of state statute, city ordinances, Central City Economic Development Sales Tax Board Resolutions, Bylaws and legal memos. In addition, Katie provided training on the Code of Ethics and Missouri Sunshine Law.

City of Kansas City Contracting and Project Updates: Jennifer Tidwell of KCMO Neighborhood and Housing Services Department provided an overview of pre-contract requirements and compliance requirements to enter into a funding agreement with the City of Kansas City, Missouri. Shontrice Patillo of the KCMO Neighborhood and Housing Services Department provided updates on round 1 and 2 projects and common causes for project delays.

Following the presentation, Dean & Dunn, LLC showed a video using drone footage to show progress of Emmanuel Family & Child Development Center and Linwood Shopping Center.

Treasure's Report: Mark Dapp of KCMO Finance Department provided the Treasurer's report.

Strategic Plan Update: The Board agreed to move discussion of the strategic plan to a future meeting of the Board.

Round Three RFP/Schedule: Board members discussed need for moving forward with Round III RFP. The board will discuss the Round III RFP at the next scheduled meeting.

Election of Officers:

Vice Chair: Kenneth Bacchus moved that Melissa Patterson Hazley be elected Vice Chair of the CCED Board. Chairman Pierre seconded the motion. All members voted in the affirmative and Melissa Patterson Hazley was elected Vice Chair.

Secretary: Kenneth Bacchus moved that Makini King be elected Secretary of the CCED Board. Chairman Pierre seconded the motion. All members voted in the affirmative and Makini King was elected Secretary.

Treasurer: Nia Richardson moved that Kenneth Bacchus be elected Treasurer of the CCED Board. Chairman Pierre seconded the motion. All members voted in the affirmative and Kenneth Bacchus was elected Treasurer.

Other Business: Deborah Mann of Emmanuel Family & Child Development Center made a presentation of the status of the facility which was partially funded by the CCED in Round 1. A request for additional funds was made to install a structure and fencing to protect children from pollutants, environmental and noise hazards. The structure and fencing must meet environmental standards from the U.S. Department of HUD (partial project funder) and Kansas City Missouri Parks Board (project located on a Park's Boulevard) design standards. Kenneth Bacchus made a motion to approve revisions to the funding agreement of up to \$500,000 as evidenced through the production of project estimates. The motion was seconded by Makini King and unanimously passed by the Board.

Res: 2020-2: Kenneth Bacchus made a motion that Res 2020-2 be passed with amendments to the spelling of his name as "Kenneth Bacchus" and Dr. Makini King's name being spelled correctly. The motion was seconded by Chairman Pierre and was passed unanimously by the Board.

Next Meeting: The Board discussed and scheduled the next meeting of the CCED Board for March 19, 2020 at 11:30am.

Adjourn: Chairman Pierre made a motion to adjourn, which was seconded by Melissa Patterson Hazley. The Board members voted in the affirmative. The meeting concluded at 11:53 am.

Central City Sales Tax Fund 2200
Comparison of Revenues, Expenditures
and Change in Fund Balance

	<u>Actual</u> <u>FY 2017-18</u>	<u>Actual</u> <u>FY 2018-19</u>	<u>Amended</u> <u>FY 2019-20</u>	<u>Activity to</u> <u>Date¹</u> <u>FY 2019-20</u>	<u>Expenditures</u> <u>to Date²</u> <u>FY 2019-20</u>
Beginning Fund Balance	\$ -	\$ 4,148,631	\$ 14,729,572	\$ 14,729,572	\$ 14,729,572
<i>Reserve for Encumbrances</i>	-	-	-	-	-
<i>Prior Year Adjustments</i>	-	-	-	-	-
Revenues					
Sales Tax	4,148,631	10,513,302	10,800,000	9,850,810	9,850,810
Miscellaneous Income	-	76,571	-	5,624	5,624
Revenues Total	\$4,148,631	\$10,589,873	\$10,800,000	\$9,856,434	\$9,856,434
Expenses					
Wages	\$ -	\$ 7,099	\$ 56,000	\$ 41,219	\$ 41,219
Benefits-Insurance-Health-FICA	-	710	5,600	11,547	11,547
Pension	-	1,065	8,400	5,323	5,323
<i>Salary and Wages Subtotal</i>	-	<i>8,874</i>	<i>70,000</i>	<i>58,089</i>	<i>58,089</i>
Training	-	-	-	3,776	3,776
Catering/Food	-	58	-	303	303
Printing	-	-	-	40	40
<i>Meeting and Other Related Expenses Subtotal</i>	-	<i>58</i>	-	<i>4,119</i>	<i>4,119</i>
Community Builders of Kansas City (Round 1)	-	-	627,785	627,785	627,785
Emanuel Family & Child Development (Round 1)	-	-	725,000	725,000	725,000
Linwood Shopping Square (Round 1)	-	-	2,389,146	2,389,146	2,389,149
Ivanhoe Neighborhood Council (Round 1)	-	-	933,840	933,840	-
MACPEN Enterprise (Round 1)	-	-	1,000,000	1,000,000	1,000,000
National Assoc of Construction Cooperatives (Round 1)	-	-	215,000	215,000	-
Neighbors United (Round 1)	-	-	205,951	205,951	-
Round 1 Funding Subtotal:			6,096,722	6,096,722	4,741,934
Urban America Southpointe, LLC (Round 2 Recommendation)	-	-	500,000	500,000	-
Urban America – KC EVE, LLC (Round 2 Recommendation)	-	-	1,205,231	1,205,231	-
KC Town Hall (Round 2 Recommendation)	-	-	490,539	490,539	-
Palestine Economic Dev. Corp. (Round 2 Recommendation)	-	-	2,288,008	2,288,008	-
Urban Neighborhood Initiative (Round 2 Recommendation)	-	-	250,000	250,000	-
Oak Park Neighborhood Association (Round 2 Recommendation)	-	-	2,800,000	2,800,000	-
Linwood Gardens (Round 2 Recommendation)	-	-	1,150,000	1,150,000	-
Prospect Summit Duplexes (Round 2 Recommendation)	-	-	1,900,000	1,900,000	-
Neighbors United Supplemental (Round 2 Recommendation)	-	-	107,853	107,853	-
Round 2 Funding Subtotal:			10,691,631	10,691,631	-
<i>Projects Recommended for Funding Subtotal</i>	-	-	<i>16,788,353</i>	<i>16,788,353</i>	<i>4,741,934</i>
Dean & Dunn Consultant Services	-	-	312,000	156,000	84,960
Harrison-Lee Consultant Services	-	-	364,800	182,400	149,411
<i>Consulting Services Subtotal</i>	-	-	<i>676,800</i>	<i>338,400</i>	<i>234,371</i>
Expenses Total	\$0	\$8,932	\$17,535,153	17,192,737	5,038,513
Surplus (Deficit)	\$4,148,631	\$10,580,941	(\$6,735,153)	(\$7,336,303)	\$4,817,921
Ending Fund Balance	\$4,148,631	\$14,729,572	\$7,994,419	\$7,393,269	\$19,547,493

Footnotes:

1. Prepared March 16, 2020; reflects actual FY 20 revenue. Committed expenditures and encumbrances.
2. Prepared March 16, 2020; reflects actual FY 20 revenue and expenditures.

CCED Project Summary - Round 1

18-Mar-20

Project	Ordinance	Project Summary	Type	CCED Allocation	Project Budget	Contract Status
City Planning and Development						
Linwood Shopping Square	190004	Renovation of Retail Shopping Center	Catalytic	\$2,389,146	\$8,592,000	CCED funds have been disbursed through the TIF Commission along with other sources of funds for the shopping center renovation. Construction has commenced.
MACPEN Enterprise	190008	Construction of Child Care Center with Services	Catalytic	\$1,000,000	\$3,249,750	Escrow Agreement and Funding Agreement (CCED and PIAC) have been completed. Project fully funded.
Neighborhoods and Housing Services						
Community Builders of Kansas City	190005	Renovation of Entrepreneur Space at 5008 Prospect	Catalytic	\$627,785	\$752,785	Contract has been signed by all parties. Project fully funded.
Emmanuel Family & Child Development	190006	Construction of Child care Center with Services	Multi-Family Residential	\$725,000	\$7,309,387	Project is nearly complete. Board approved applicant's request for additional funding to install structure and fencing to protect children from pollutants, environmental and noise hazards. along Swope Parkway and Prospect. Project awaiting approval of contract revision by City Council.
Ivanhoe Neighborhood Council	190007	Construction of Housing for Low Income Seniors	Multi-Family Residential	\$933,840	\$1,800,140	Project awarded funds through HOME and CCED Funds. The project was not bid using prevailing wage resulting in the construction bids being over budget by \$300,000. Applicant in the process of securing additional project funds.
National Assoc. of Construction Coop	190009	Rehabilitation of Homes for Homeownership	Residential	\$215,000	\$4,000,000	CCED funds approved for acquisition and title work. Applicant is securing funding for rehabilitation of the homes.
Neighborhoods United	109910	Rehabilitation of Homes for Disabled Veterans	Residential	\$313,804	\$627,608	Funding Agreement approved by all parties.

CCED Project Summary - Round 2

18-Mar-20

Project	Ordinance	Project Summary	Type	CCED Allocation	Project Budget	Contract Status
City Planning and Development						
Urban America Southpointe, LLC	190656	Pre-development expenses for the construction of office space, retail, hospitality, multi-family residential and parking in the 63rd Street and Prospect Avenue area	Catalytic	\$500,000	\$180,259,034	Applicant has yet to provide CCED with a revised proposal that does not include retail development in the proposed project. When proposal is received and approved, the City can proceed with negotiating the funding agreement.
Urban America – KC EVE, LLC	190644	Redevelopment of the historical Kansas City Castle Building and construction 36 net zero cottage style homes in the South Vine Street Corridor	Catalytic	\$1,205,231	\$21,947,664	Applicant has yet to provide CCED with scope of work, budget and schedule. When information is received and approved, CCED can proceed with negotiation of funding agreement.
KC Town Hall	190649	Redevelopment of abandoned building, at Indiana Avenue and 36th Street to provide restaurant, restaurant incubator and 3 apartments for families earning 30% or less of median income.	Single Family / Residential	\$490,539	\$680,169	City met with applicant regarding outstanding items. Applicant working to provide detailed scope and project budget.
Neighborhoods and Housing Services						
Urban Neighborhood Initiative	190651	Site work and infrastructure related to the new construction of 30 single-family homes, in partnership with Habitat for Humanity.	Single Family / Residential	\$250,000	\$1,731,600	Applicant, along with Habitat for Humanity, is finalizing the list of properties to be included in the project. The available lots will be selected by the potential homeowner.
Oak Park Neighborhood Association	190652	Equity funding to support the development of 29 units of affordable housing at 38th Street and Prospect Avenue	Multi-Family Residential	\$2,800,000	\$1,392,108	Applicant applied for 4% LIHTC with MHDC in December. MHDC is expected to review proposals from applicants and make a decision in March/April. MHDC is requiring proof of funds prior to proving a conditional funding approval. Documentation needed to proceed with funding agreement are outstanding.
Linwood Gardens	190653	Equity funding to develop 32 units of affordable housing, a community shared use kitchen, coffee shop and exterior shelter near Linwood and Bruce Watkins Drive	Multi-Family Residential	\$1,150,000	\$7,617,968	CCED met with applicant to review budget and determine uses of funds. Applicant will provide budget and draft contract to include funding of commercial kitchen, coffee shop and social services as requested in project proposal.
Prospect Summit Duplexes	190662	Joint venture partnership, including the nonprofit Mt. Pleasant EDC, for the construction of 23 townhomes for rent in the 22nd/23rd and Prospect Avenue area.	Multi-Family Residential	\$1,900,000	\$5,653,625	Applicant appeared before the Fairness in Construction Board. Minority participation goals have been approved. Legal is reviewing applicant's revision to funding agreement.
Palestine Economic Dev. Corp	190650	Equity funding to support the construction of a 39 unit assisted living facility at 35th Street and Prospect Avenue.	Multi-Family Residential	\$2,299,008	\$5,735,008	City met with applicant regarding assembling property and identifying additional funding sources. Applicant proposed entering into two funding agreements - pre-development fees and construction.
Neighborhoods United	190663	This amount will be added to the \$205,951.00 previously awarded in Round 1.	Single Family/ Residential			Update on Round 1 spreadsheet.

Central City Economic Development Sales Tax

2019 Economic Development Report

Pursuant to Section 67.1305 of Missouri Revised Statutes (2018) - The board shall submit to the joint committee on economic development a report for each project using the tax authorized.

Primary Economic Development Goal

The goal of the Central City Economic Development Sales Tax is to fund “Catalytic” - large-scale projects that have a substantial and immediate impact on economic development and “Incremental” smaller scale projects - together with other developments have a growing impact. The projects provide access to capital, assist developers, facilitate job creation, enhance the tax base, support retention and growth of existing businesses (including minority-owned and small businesses).

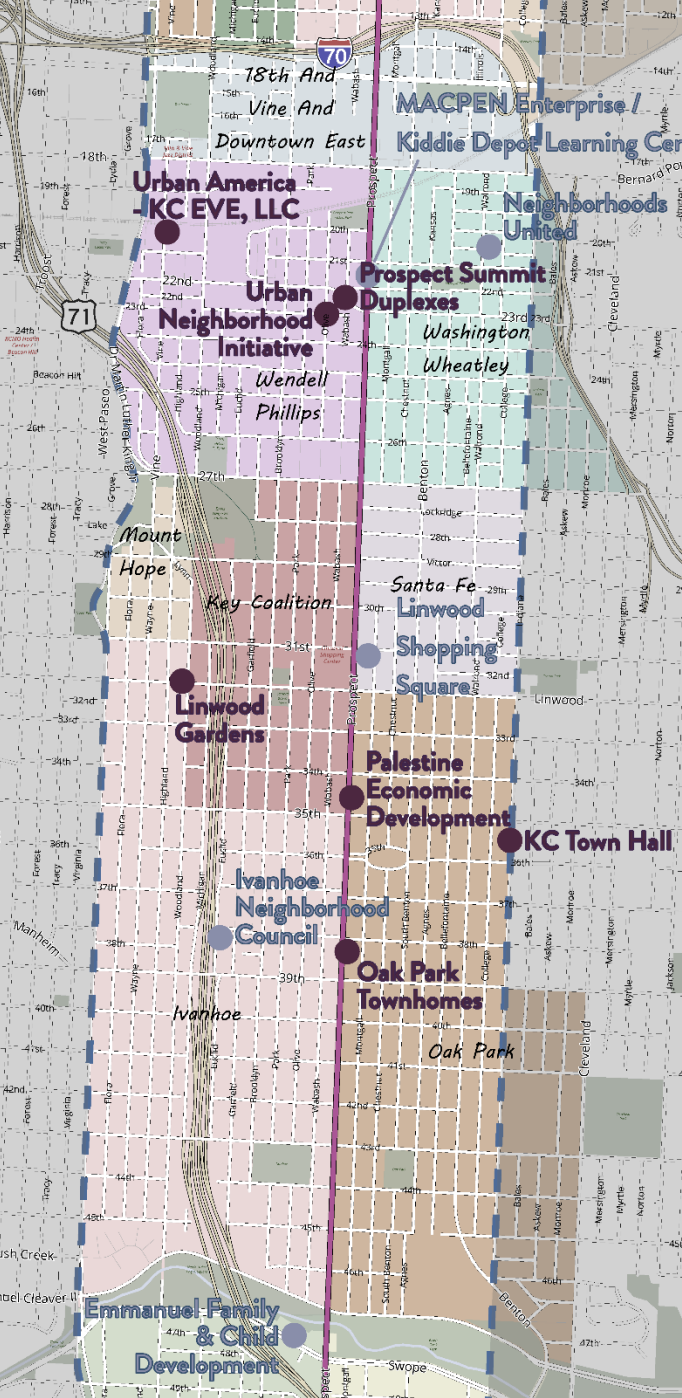
Sales Tax Revenues Received
\$10,843,858

Expenditures (January 2019 – December 2019)

Infrastructure improvements	\$ 0
Land and/or buildings	\$ 3,464,054
Machinery and equipment	\$ 0
Job training investments	\$ 0
Direct business incentives	\$ 0
Marketing	\$ 0
Administration & legal expenses	\$ 185,283
Other expenditures	\$ 343
Total	\$ 3,649,680

Funded Projects / Land & Building (January 2019 – December 2019)

Community Builders of Kansas City	\$ 299,780
• Renovation of Entrepreneur Space	
Emanuel Family & Child Development	\$ 725,000
• Construction of Childcare Center with Services	
Linwood Square Renovation	\$ 2,389,149
• Renovation of Retail Shopping Center in Historic District	
Total	\$ 3,464,054



CITY OF KANSAS CITY, MISSOURI

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