

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:

Tuesday, May12, 2020

12:00 pm – 2:00 pm

Zoom Meeting: <https://umsystem.zoom.us/j/96701129547>

One Tap Mobile

312-626-6799 (Phone)

96701129547 Access Code

For the purposes of taking up the following matters:

Agenda

- A. Call to Order
- B. Approval of Minutes
 - 1. May 8, 2020
- C. Treasurer's Report
- D. Project Substantial Deviation Discussion
- E. Round I & II Project Updates
- F. Future RFP Fees
- G. NACCC (Round I Project)
- H. Strategic Plan
- I. Other Business
- J. 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.

Central City Economic Development Sales Tax Board
 Meeting Minutes from May 08, 2020 Board Meeting

<p>Board Members Present</p>	<p>Chairman- Mr. Duval “DJ” Pierre Vice Chairwoman- Dr. Melissa Patterson Hazley Treasurer- Mr. Kenneth Bacchus Board Member- Dr. Makini King Board Member- Ms. Nia Richardson</p>
<p>Consultants Present</p>	<p>Randy Dunn, Dean & Dunn, LLC Shaylyn Dean, Dean & Dunn, LLC Cheryl Harrison Lee, HLC Consulting Leila Allen, HLC Consulting</p>
<p>City of KCMO Staff Present</p>	<p>Shontrice Patillo, Neighborhoods and Housing Services Jennifer Tidwell, Neighborhoods and Housing Services Katie Chandler, Law Department Alexis Butler, Office of the City Manager Dion Lewis, Human Relations Department Adrien Townsend, Office of Councilwoman Parks Shaw Chase Johnson, City Planning and Development Angela Eley, City Planning and Development Jerry Helmick, Human Relations Department</p>
<p>Community Members</p>	<p>Jeffery Humfield Carmen Williams Bob Koster Megan Crook Geoff Jolley Shannon Hestenburg Staff Hedenkamp Mary Marty Carolyn Kovar Dianne Cleaver Julia Fredenburg Joan McDowd Enam Haddad Ben Payton Coley Williams Dena Odom Karen Boyd Mike Carmona Brad Lucht Ed Bell Esther Holzendorf Davin Gordon Daniel Serda Cooley Williams Gene Willis Brent Parker</p>

Call to Order:

Chairman Pierre called the meeting to order at 12:03pm

Approval of Minutes: Dr. King made a motion to approve the April 14, 2020 and April 17, 2020 meeting minutes as presented. Dr. Patterson Hazley seconded the motion and the motion passed by a vote of 4-0

Essential Services Fund RFP Response: Chairman Pierre noted that no responses were received for the Essential Services Fund RFP. Dr. King asked why there were no responses received. Jennifer Tidwell responded stating there were several other similar RFPs out at the same time and the capacity of organizations may have been a factor. Dr. Patterson Hazley stated she believed the RFP should be re-released and kept open until June 1st. Board members discussed if a decision would be made today on the responses to the other proposals. Mr. Pierre stated that it was his intent for a decision to be made today. Dr. Patterson Hazley made a motion to keep the Essential Services Fund RFP open until Jun 1, 2020. Ms. Richardson seconded the motion and it was passed by a vote of 4-0.

Business Relief Fund: Mr. Pierre discussed the two proposals received for this fund from Greater Kansas City LISC (LISC) and Community Capital Fund (CCF). Dr. King asked how will the Board make its decision since both responses were good. Mr. Pierre stated the decision would be based off of achieving the Boards priorities and the organizations capacity, overall strength of application, matching funds, overhead cost, history of work in CCED boundaries and resources the organization can commit.

Dean & Dunn, LLC discussed their analysis of the projects and analysis provided the documents to the Board to assist them in their decision.

Megan Crook of CCF and Geoff Jolley of LISC each provided an overview of their organizations proposal to administer the Business Relief Fund. Megan stated by mentioning the close partnership between CCF and LISC and that they would be open to a combined effort. Ms. Crook discussed the capacity of CCF and their relationship with AltCap and OHUB, which would provide technical assistance to businesses that receive a grant of up to \$10,000. CCF would prioritize businesses that are unbanked. Ms. Richardson asked how will they determine if they are unbanked and why? Ms. Crook responded by focusing on women and minority businesses they know they have been left out of PPP and other programs and they will ask if they applied for PPP or EIDL. Ms. Richardson also stated she does not want to see businesses excluded because they may have received something from federal programs. Ms. Crook stated she would take the Boards direction on that. Dr. Patterson Hazley stated she would prefer to help businesses that have not received assistance yet. Ms. Richardson asked what will the OHUB partnership look like. Ms. Crook stated that is to be determined by what the environment looks like, they would prefer face to face meetings but the work can be done virtually.

Geoff Jolley of LISC also mentioned their relationship with CCF and discussed what LISC is doing national in response to COVID-19 and their focus on DBEs and raising over \$100 million nationally to support small businesses. Mr. Jolley stated LISC would also provide grants up to \$10,000. Dr. King asked about their partnership with KIVA and the matching funds, which would come from that. Mr. Jolley stated that match is in place.

Mr. Pierre asked both responders how they would determine who would receive a grant. Ms. Crook stated they would establish a committee that would review the applications for a first round of review. If funds remain after that then a lottery would be utilized to distribute additional funds. Mr. Jolley stated they would use a lottery system for the businesses that meet the requirements so there is no bias. Dr. Patterson Hazley asked how do you check for the diversity of recipients when using a lottery. Mr. Jolley stated that would be addressed by the businesses

that are prioritized to apply for the funds. Mr. Bacchus asked would the lottery use the CCED Funds or other funds. Mr. Jolley said it would use the CCED funds and further stated there are about 1,100 businesses in the CCED with about 600 qualifying as small businesses.

Dr. Patterson asked CCF would community members be included in the scoring and could the Board see who would be on that committee. Ms. Crook stated she would be happy to share that information with the Board.

Dr. King asked if the two organizations would be open to collaborating. Both stated while they would be open to collaborating they have concerns about doubling the administration cost and not being able to provide as many funding to businesses. They also felt that splitting the funds between the two organizations could cause confusion with different processes and application requirements. Ms. Richardson stated she sees a real need for technical assistance for businesses receiving help.

Though the zoom chat Staff Hedenkamp asked if the estimate of businesses is respective to sole proprietorship as most of those are not eligible for PPP. Mr. Jolley stated about 200 of the small businesses have between 1-4 employees, of those with only 1 they don't know.

Dr. King asked CCF how quick they could get the funds out of the door noting that LISC stated they could do it in 5-7 days. CCF stated they could mirror that time frame.

Mr. Pierre stated that he felt LISC had a more detailed timeline for getting the funds out and thinks that is very important and also stated LISC had more matching funds and they have the capacity. Mr. Pierre then asked for the other Board Members which proposal they preferred so they could vote.

Dr. Patterson Hazley asked Ms. Chandler if she should recuse herself from any vote since she is on an advisory Board for LISC. Ms. Chandler stated yes she should. Mr. Pierre asked if there were any other conflicts that needed to be made aware, there were none.

Mr. Bacchus stated he would like to see CCED work with both organizations in the future but agreed with Mr. Pierre's statements. Ms. Richardson asked Mr. Jolley if all of the people on their list would be working on the project, Mr. Pierre clarified that their proposals states that 5 FTEs would be made available to work on the project. Ms. Crook discussed the experience of Mike Carmona would be leading efforts for CCF.

Ms. Richardson stated she was leaning towards CCF because she does not like the lottery aspect of LISC selection process and likes the technical assistance and OHUB partnership. Dr. King stated she believes both organizations can handle the program but is leaning towards CCF because they are a smaller organization.

Mr. Bacchus made a motion to utilize LISC to manage the Business Relief Fund and to add additional funding to cover the administration cost. Ms. Richardson seconded the motion.

In discussion of the motion Mr. Pierre asked what would LISC need to do to get the support of Ms. Richardson and Dr. King. Ms. Richardson stated changing the lottery process and adding technical assistance. Dr. King stated adding technical assistance and having follow-ups with the businesses. Mr. Jolley stated LISC will do evaluations of the businesses and would look into subcontracting CCF for the technical assistance. Ms. Crook stated they would be willing to discuss as well but could not make a commitment at that time.

By a vote of 3-1 the motion passed. (Ms. Richardson voted nay and Dr. Patterson Hazley abstained)

Dr. King asked could CCF manage the Essential Services Fund, Ms. Crook stated they would look into it.

Round III RFP: Mr. Pierre mentioned receiving some request to extend the Round III RFP to a later date due to challenges with responding due to COVID-19. Ms. Patillo stated she has had 3-4 request for extensions.

Mr. Bacchus made a motion to extend the response period for Round III RFP to June 1, 2020. Dr. King seconded the motion. The motion passed by a vote of 5-0

Public Comment: Mr. Brent Parker an attorney for a Round III proposer had several questions. Ms. Chandler told him to submit the responses in writing.

Ms. Richardson asked about submittals being submitted electrically, Ms. Chandler stated she would look into it.

Esther Holzendorf asked if the ballot initiators specifically asked for the Board to not focus on social services and recommended the community put pressure on existing social service entities. Mr. Bacchus stated the Board is trying to fill a gap in funding that exist and the Board is only looking to identify an organization that would provide these services and not for CCED to do it.

Alexis Butler asked would the selected COVID-19 relief proposals (non-sensitive items) be made available to the public. The response was yes.

Dr. Patterson Hazley made a motion to adjourn which was seconded by Dr. King and passed by a 5-0 vote. The meeting adjourned at 2:08pm



Central City Sales Tax

Project Modifications

The Central City Sales tax Board will consider project modifications who meet the criteria established by the Board. Project modifications are only available for projects that have been approved for Central City Sales Tax funding. The developer(s) may submit a one-time application letter requesting additional funding for minor deviations for projects that are construction ready. Upon receipt of a verified application from the owner of the property affected, stating fully the grounds for the application and the facts relied upon, the Board shall discuss the request at a regular scheduled meeting not later than 90 days from the date of submittal.

Any minor deviation considered shall be within the following limits:

1. An increase limited to 10 percent or less of the land area initially proposed for the project.
2. An increase limited to 10 percent or less of the number of units or square footage of development.
3. An increase of not more than one percent not to exceed \$150,000 of the project total cost.

Applications exceeding these thresholds may not be considered. Applications not meeting the criteria may be required to revert to the next project cycle as a new project submission. Applications approved for additional funding will be recommended by the CCED with final approval by the City Council.

CCED Project Updates - Round 1								
FA	Project	Summary	CCED Budget	Project Budget	Leveraged Funds	LTV	Infrastructure	Update 5/1/2020
x	Linwood Shopping Square	Renovation Retail Shopping Center	\$2,389,146	\$8,592,000	\$6,202,854	27.81%		Funding Agreement entered and Project Fully Funded. Construction is 63% complete
x	MACPEN Enterprise	Construction of Child Care Center with Services	\$1,000,000	\$3,249,750	\$2,249,750	30.77%		Funding Agreement entered and Project Fully Funded. Developer in the process of combining lots. CPD is awaiting application
x	Community Builders of Kansas City	Renovation for Entrepreneur Space at 5008 Prospect	\$627,785	\$752,785	\$125,000	83.39%		Funding Agreement entered and Project Fully Funded. Project complete.
x	Emmanuel Family & Child Development	Construction of Child care Center with Services	\$725,000	\$7,309,387	\$11,103,448	9.92%		Estimate Received for Sound Barrier. Ordinance being prepared to allocate additional funding for \$500k
d	Ivanhoe Neighborhood Council	Senior Cottages at 39th Street	\$933,840	\$1,800,140	\$866,300	51.88%		Funding Agreement being prepared. Final budget needed to present to HRD for minority participation goals
x	National Association of Construction Coop	Rehabilitation of Homes throughout the District	\$215,000	\$10,000,000	\$9,785,000	2.15%		Applicant requesting reconsideration in response to board requesting withdrawal of proposal
x	Neighborhoods United	Rehabilitation of Homes for Disabled Veterans	\$313,804	\$627,608	\$313,804	50.00%		Funding Agreement complete
Total			\$6,204,575	\$32,331,670		19.19%		
Public Infrastructure/ Site Development Preparation - 20%			\$1,240,915					
Actual - Public Infrastructure/ Site Development Preparation			\$0				\$0	

CCED Project Updates - Round 2								
FA	Project	Summary	CCED Budget	Project Budget	Leveraged Funds	LTV	Infrastructure	Update 5/2020
	Urban America Southpointe, LLC	Pre-development expenses for the construction of office space, retail, hospitality, multi-family residential and parking in the 63rd Street and Prospect Avenue area	\$500,000	\$180,259,034	\$179,759,034	0.28%		Awaiting full proforma and a phased plan based on their EDC TIF application. Master Planning and Engineering has not been received to satisfy their preconstruction services agreement with CPD.
	Urban America – KC EVE, LLC	Redevelopment of historical Castle Building and construction of Enterprise Village Ecosystem -36 net zero cottage style homes in the South Vine Street Corridor	\$1,205,231	\$21,947,664	\$20,742,433	5.49%		Project details, budget and full proforma are outstanding and needed to move forward with funding agreement.
	KC Town Hall	Redevelopment of building on 36th & Indiana Ave to provide restaurant, restaurant incubator and 3 apartments for families earning 30% or less of median income.	\$490,539	\$680,169	\$189,630	72.12%		Scheduled to attend Fairness in Construction Meeting to establish construction MBE/WBE and workforce goals.
	Urban Neighborhood Initiative	Site work and infrastructure related to the new construction of 30 single-family homes, in partnership with Habitat for Humanity.	\$250,000	\$1,731,600	\$1,481,600	14.44%	\$250,000	Checklist items received and being reviewed.
	Oak Park Neighborhood Association	Equity funding to support the development of 29 units of affordable housing at 38th Street and Prospect Avenue	\$2,800,000	\$8,183,550	\$5,383,550	34.21%		Conditional approval received from MHDC. Funding approval needed for PIAC Funds. Funding Agreement being drafted.
	Linwood Garden	Equity funding to develop 32 units of affordable housing, community shared use kitchen and a coffee shop and exterior shelter near Linwood and Bruce Watkins Drive	\$1,150,000	\$7,617,968	\$6,467,968	15.10%	\$40,000	Construction started. Applicant requested funding agreement written to construct kitchen, coffee shop, exterior shelter and services.
d	Prospect Summit Duplexes	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.	\$1,900,000	\$5,653,625	\$3,753,625	33.61%	\$1,010,002	Funding agreements being negotiated. Funding/closing scheduled for June/July. Environmental Review Officer awaits site evaluation for contamination and noise evaluation.
	Palestine Economic Dev. Corp	Equity funding to support the construction of a 39 unit assisted living facility at 35th Street and Prospect Avenue.	\$2,299,008	\$5,735,008	\$3,436,000	40.09%	\$300,000	Applicant proposes to enter into an agreement for 2 phases - a pre-development phase and construction phase. The project has yet to apply for NMTC.
	Total		\$10,594,778					
	Public Infrastructure/ Site Development Preparation - 20%		\$2,118,956					
	Public Infrastructure/ Site Development Preparation - Actual		\$1,600,002				\$1,600,002	