



CITY OF
KANSAS CITY,
MISSOURI



Agenda

CENTRAL CITY ECONOMIC DEVELOPMENT SALES TAX BOARD

Tuesday, November 10, 2020

12:00 noon – 2:00 pm

Zoom Meeting: <https://zoom.us/j/94196295826>;
(646) 558-8656 (Phone) 941 9629 5826 Meeting ID

1. Call to Order
2. Approval of Minutes
 - October 13, 2020
3. Public Comments
4. Treasurer's Report
5. Previous Rounds Project Updates
6. COVID-19 Relief Programs Update
7. Round III Ordinance/Resolution Update
8. CCED Staff Support
9. Minority Developers Roundtable Discussion
10. Action/Implementation Plan
11. Other Business
12. 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.



For the latest news and project info:
KCMO.GOV/CCED

Central City Economic Development Sales Tax Board
 Meeting Minutes from October 13, 2020 Board Meeting

Board Members Present	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
Consultants Present	Randy Dunn, Dean & Dunn, LLC Shaylyn Dean, Dean & Dunn, LLC Cheryl Harrison Lee, HLDC Consulting Riccardo Kisner, HLDC Consulting Leila Allen, HLDC Consulting
City of KCMO Staff Present	Shontrice Patillo, Neighborhoods and Housing Services Jennifer Tidwell, Neighborhoods and Housing Services Katie Chandler, Law Department Dion Lewis, Human Relations Department Thameia Handie Angela Pearson, Office of Councilwoman Parks Shaw Chase Johnson, City Planning Department Jeff Williams, City Planning Department Angela Eley, City Planning Department
Community Members	Eric Clevenger Nailah M’Biti Dena Odom Julia Fredenburg D. Woodman Riccardo Lucas Forestine Beasley Mark Irvin Brian Collins

Call to Order:

Chairman Pierre called the meeting to order at 1:02pm

Meeting Minutes: The meeting minutes from the September 8th and October 2nd meeting were passed following a motion by Board member Bacchus and second by Board member King. The motion passed by a vote of 5-0.

Public Comment: There were no public comments

Treasurer's Report: Mr. Bacchus presented the Treasurer's report for informational purposes only and indicated he continues to work with the City to ensure the correct information is contained in the report and that it is presented in a easily readable and understandable way.

Round I, II, III Project Updates: Shontrice Patillo provided an update on the previous rounds of projects as well as the Round III recommendations. From Round I all projects have either funding agreements with several of these projects being completed. Ivanhoe is acting the approval of their additional funds by the Council. Five of the Round II projects have completed funding agreements with three additional projects still needing funding agreements completed. The City Planning Department is working to develop a phasing plan on the Urban America South Pointe project while the Urban America KC-EVE project can not move forward until a federal lien is addressed. Jeff Williams with City Planning Department stated the City has not received any update on when they lien may be addressed by the developer. Katie Chandler with the City Law Department submitted the CCED Round III recommendations to the City Clerk on October 8th but noted that the ordinances themselves have not been drafted. It was further stated that the Special Committee on Housing has requested a presentation on the CCED strategic plan prior to making further decisions on the Board's recommendations. Board members discussed the existing guiding strategic plan utilized to guide Board decisions up to this point. Board member Richardson requested a copy of the existing strategic plan. Jennifer Tidwell stated that the Special Committee on Housing meeting will take place on October 21st and the exact time will be forthcoming.

Strategic Plan: Board members discussed the draft strategic plan, and its recommendations. Board member Bacchus made a motion to approve the plan, the motion was seconded by Board member Patterson Hazley. During discussion of the motion Board member Richardson expressed her concerns with some of her recommendations not being incorporated into the plan including expiration of the tax, hiring staff, revolving loan fund to sustain the fund beyond 2027. Board member Richardson stated she does not believe the current draft of the plan reflects the priority of single family homes and does not feel it is ready to move forward at this time. Board member King asked if the plan is approved today can Board member Richardson's recommendations be incorporated and addressed at a later time. Chair Pierre said yes they could and could also be included in the action plan. The motion was passed on a vote of 4-1 (Yes- Pierre, Patterson Hazley, Bacchus, King; No- Richardson).

Cheryl Harrison Lee discussed next steps now that the plan has been approved. Next steps will included metrics, goals, RFP and correlating Round III recommendations with strategic plan goals.

Other Business: Board member Richardson asked for an update on the COVID Relief Funds. Ms. Patillo stated that an agreement with LISC has been signed and they are awaiting the funds being transferred to them. The City is awaiting CCF to sign and or provide edits to their funding agreement. Ms. Richardson asked for additional future updates. Chairman Pierre requested that the strategic plan be added to the website.

Adjourn: The meeting adjourned following a motion by Ms. Richardson and was seconded by Dr. King. The motion passed by a vote of 5-0. The meeting adjourned at 1:41pm.

Central City Sales Tax Fund 2200
Comparison of Revenues, Expenditures
and Change in Fund Balance
As of October 30, 2020

	Actual FY 2018-19	Actual FY 2019-20	Adopted FY 2020-21	Projected Activity FY 2020-21	Activity to Date ¹ FY 2020-21	Actuals to Date ² FY 2020-21
Beginning Fund Balance	\$ 4,148,631	\$ 14,729,572	\$12,865,044	\$ 19,978,759	\$ 19,978,759	\$ 19,978,759
Reserve for Encumbrances	-	-	-	\$ 401,273	\$ 401,273	\$ 401,273
Prior Year Adjustments	-	-	-	-	-	-
Total Fund Balance	4,148,631	14,729,572	12,865,044	20,380,031	20,380,031	20,380,031
Revenues						
Sales Tax	10,513,302	10,720,388	10,950,000	9,855,000	4,731,647	4,731,647
Miscellaneous Income	76,571	6,028	-	-	54,928	54,928
Revenues Total	\$10,589,873	\$10,726,416	10,950,000	9,855,000	4,786,575	4,786,575
Expenses						
Wages	\$ 7,099	\$ 49,492	59,805	59,805	59,805	32,159
Benefits-Insurance-Health-FICA	710	13,984	20,860	20,860	20,860	9,926
Pension	1,065	6,396	8,453	8,453	8,453	5,171
Salary and Wages Subtotal	8,874	69,872	89,118	89,118	89,118	47,256
Training/Meeting Exp.	-	2,408	-	-	-	732
Catering/Food	58	303	-	-	-	-
Printing / Office Supplies/Advertisements	-	533	20,000	20,000	20,000	273
Computer and Information Systems	-	-	-	30,000	30,000	-
Meeting and Other Related Expenses Subtotal	58	3,244	20,000	50,000	50,000	1,005
Community Builders of Kansas City (Round 1)	-	627,785	-	-	-	-
Emanuel Family & Child Development (Round 1)	-	725,000	-	-	-	-
Linwood Shopping Square (Round 1)	-	2,389,149	-	-	-	-
Ivanhoe Neighborhood Council (Round 1)	-	-	-	933,840	933,840	-
MACPEN Enterprise (Round 1)	-	1,000,000	-	-	-	-
National Assoc of Construction Cooperatives (Round 1)	-	-	-	215,000	215,000	215,000
Neighbors United (Round 1)	-	-	-	205,951	205,951	205,951
Round 1 Funding Subtotal:	-	4,741,934	-	1,354,791	1,354,791	420,951
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	107,853
Round 2 Funding Subtotal:	-	-	-	10,691,631	10,691,631	107,853
Conrad Wright Media Building	-	-	-	200,000	-	-
CELT	-	-	-	282,354	-	-
Parade Park Homes	-	-	-	905,000	-	-
One Nine Vine	-	-	-	3,960,000	-	-
Jazz Hill Homes	-	-	-	2,000,000	-	-
The Overlook	-	-	-	4,000,000	-	-
Santa Fe	-	-	-	610,000	-	-
Round 3 Funding Subtotal:	-	-	-	11,957,354	-	-
Small Business Stabilization (Covid-19 Recommendation)	-	-	-	500,000	500,000	500,000
Essential Services Program (Covid-19 Recommendation)	-	-	-	500,000	500,000	-
Covid-19 Funding Subtotal:	-	-	-	1,000,000	1,000,000	500,000
Ivanhoe Neighborhood Council (Supplemental Funding)	-	-	-	287,492	287,492	-
Emanuel Family & Child Development (Supplemental Funding)	-	-	-	500,000	500,000	500,000
Supplemental Funding Subtotal:	-	-	-	787,492	787,492	500,000
Projects Recommended for Funding Subtotal	-	4,741,934	-	25,791,268	13,833,914	1,528,804
Dean & Dunn Consultant Services (2nd Year)	-	101,520	-	150,600	150,600	150,600
Harrison-Lee Consultant Services (2nd Year)	-	159,386	-	179,721	179,721	179,721
Consulting Services Subtotal	-	260,906	-	330,321	330,321	330,321
Contractual Services	-	-	10,840,882	-	-	-
Expenses Total	8,932	5,075,956	10,950,000	26,260,707	14,303,353	1,907,386
Surplus (Deficit)	\$10,580,941	\$5,650,460	-	(16,405,707)	(9,516,778)	2,879,189
Ending Fund Balance	\$14,729,572	\$20,380,032	\$ 12,865,044	\$ 3,974,325	\$10,863,254	23,259,221
Less: Contingency of 15% of Adopted FY 2020-21 Revenue	-	-	(\$1,642,500)	(\$1,642,500)	(\$1,642,500)	(\$1,642,500)
Ending Fund Balance after Contingency	\$ 11,222,544	\$ 2,331,825	\$ 11,222,544	\$ 2,331,825	\$ 9,220,754	\$ 21,616,721

Footnotes:

1. Reflects actual FY 21 revenue, committed expenditures, and encumbrances.
2. Reflects actual FY 21 revenue and expenditures.

CCED Project Updates - Round 1 (November 2020)

FA	Project	Summary	CCED Budget	Project Budget	Leveraged Funds	LTV	Infrastruc.	
x	Linwood Shopping Square	Renovation Retail Shopping Center	\$2,389,146	\$8,592,000	\$6,202,854	27.81%		Project Complete
x	MACPEN Enterprise	Construction of Child Care Center with Services	\$1,000,000	\$3,249,750	\$2,249,750	30.77%		Construction has commenced.
x	Community Builders of Kansas City	Renovation for Entrepreneur Space at 5008 Prospect	\$627,785	\$752,785	\$125,000	83.39%		Project Complete
x	Emmanuel Family & Child Development	Construction of Child care Center with Services	\$1,225,000	\$7,309,387	\$11,103,448	16.76%		Funding Agreement endorsed by all parties.
x	Ivanhoe Neighborhood Council	Senior Cottages at 39th Street	\$1,221,332	\$2,174,632	\$953,300	56.16%		Funding Agreement drafted. Ordinance approving funding agreement passed by Council. The Notice to Proceed should be issued in November 2020.
x	National Association of Construction Coop	Rehabilitation of Homes throughout the District	\$215,000	\$10,000,000	\$9,785,000	2.15%		Funding Agreement complete. Developer need to identify homes to be rehabbed to NHS.
x	Neighborhoods United	Rehabilitation of Homes for Disabled Veterans	\$313,804	\$627,608	\$313,804	50.00%		Construction ongoing. 1st Draw received. Inspection conducted and documentation being reviewed.
Total			\$6,992,067	\$32,706,162		21.38%		
Public Infrastructure/ Site Development Preparation - 20%			\$1,398,413					
Actual - Public Infrastructure/ Site Development Preparation								
Public Infrastructure Deficit			\$1,398,413					

Ivanhoe Neighborhood Council - Round 1

Applicant	Karen Boyd/ Nailah M'biti			
Project Name/Location	Garfield East (Senior Cottages at 39th Street)			
Contact	Nailah M'biti			
Project Team				
Funding Sources				
	Amount	Confirmed	Changes	Notes
CCED	\$933,840	Yes	Yes	
KCMO HOME FUNDS	\$866,300	Yes	Yes	
CCED (Additional)	\$287,492	Yes	No	
KCMO HOME FUNDS (Additional)	\$87,000	Yes	No	
Total Project Cost	\$2,174,632	Investment to Project Cost		43%
Project Description	<p>The Ivanhoe Gateway project began in 2007 with a plan. Since then the Ivanhoe Neighborhood Council completed three duplexes, 12 units of one-story cottages for seniors; and four more units are currently under construction. This proposal includes the Phase IV at 3800 Garfield and builds upon Ivanhoe Neighborhood Council's existing momentum in the neighborhood. Proposer intends to construct eight (8) high quality one-story cottages that are attached in groups of four. Each cottage will have two bedrooms, living room, dining room, kitchen, bathroom and laundry. The senior cottages will aide in the stabilization of two vulnerable populations which are seniors and low-income families.</p>			
Project Outcomes	Creates additional production of affordable housing in the core city for elderly and low income households.			
Jobs Created	2			
Construction Jobs	50			
Project Status				

1/2019	City Council passed Ordinance No. 190007 which authorized a Funding Agreement with Neighborhoods and Housing Services Department to execute a Funding Agreement with Ivanhoe Neighborhood Council in the amount of \$933,840 to incentivize construction of senior cottages.
8/2019	The City of Kansas City awarded HOME Funds to the project. All funds in the projects are subject to HUD rules and regulations.
10/2019	Project will be funded through HOME and CCED Funds. The contract has been prepared and is currently being reviewed by the legal department.
10/2019	Initial draft of funding agreement provided to the Law Department for review.
1/2020	Environmental Review Officer worked with project team to review materials and construction techniques that would provide the necessary attenuation from environmental hazards.
3/2020	Developer bid project three times between August 2019 and February 2020 in an attempt to decrease project cost.
3/2020	Developer requested amendment to CCED Board requesting additional funding in the amount of \$287,492 to accommodate prevailing wage requirement. In addition, \$87,000 was requested in HOME Funds.
7/2020	CCED Board approved additional funding for Ivanhoe/Garfield East Sr. Cottages in the amount of \$287,492.
7/2020	M(W)BE Goals approved by Fairness In Construction Board at 15% MBE and 10% WBE.
8/2020	Environmental Review ongoing.
9/2020	A remedial action plan (RAP) must be prepared and submitted for review by MDNR. The plan will include Ivanhoe's option to remove potentially contaminated soil from the project site. Following receipt of the RAP, City's Environmental Officer will include RAP in the HUD Environmental Review Record (one of the last pieces of the Environmental Assessment (EA) review) will publish the Finding Of No Significant Impact, as well as the Notice of Intent to Request Release of Funds. The public comment period would then open for a 15 period, followed by the submission of the Request, which triggers HUD's 15 day Objection Period. Once that 30-34 day process is concluded, the City will receive the Authority to Use Grant Funds form and I will be able to provide Ivanhoe with the green light to begin work.

9/2020

Ordinance approving additional funding submitted for Council approval.

10/2020

Funding Agreement drafted. Ordinance approving additional funding held in the Special Committee on Housing Development. The Notice to Proceed should be issued in November 2020.

CCED Project Updates - Round 2 (November)

FA	Project	Summary	CCED Funds	Project Budget	Leveraged Funds	LTV	Infrastruc.	
	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%		Developer is working with CPD Staff to finalize the Development Agreement, Term Sheet and Detailed Phasing Plan.
	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%		Developer reports that they are working with the Federal Government to settle the lien and anticipates closing within the next two month. No additional project or financing information has been provided from the developer.
d	KC Town Hall	Redevelopment of building on 36th & Indiana Ave to provide restaurant, incubator and 3 affordable housing apartments.	\$490,539	\$680,169	\$189,630	72.12%		Funding agreement drafted and provided to developer. Draft Development Agreement outstanding.
x	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	Special Committee on Housing Policy approved Funding Agreement on September 24th.
d	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%		Developer provided copy of final commitment from MHDC. The Funding and Loan Agreements drafted. Ordinance approving Funding Agreement drafted for 1st Reading 11/12/2020. LIHTC included on project; hence closing must occur simultaneously with MHDC - approximatley January 2020.
d	Linwood Garden	Equity funding to develop 32 units of affordable housing, community kitchen, coffee shop and exterior shelter near Linwood and Bruce Watkins Drive.	\$1,150,000	\$7,667,968	\$6,517,968	15.00%	\$0	Funding Agreement approved by Council. .

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 agreement and loan documents drafted to supplement MHDC documentation. Environmental review is in process for HOME Funding by MHDC and City. Ordinance approving funding agreement drafted for 1st Reading 11/12/2020.
d	Palestine Economic Dev. Corp	Equity funding to support the construction of a 39 unit assisted living facility at 35th Street and Prospect Avenue.	\$2,288,008	\$5,735,008	\$3,447,000	39.90%	\$300,000	Project split into two phases. The Funding Agreement drafted for the 1st Phase and provided to the Developer for review.
Total			\$10,583,778					
Public Infrastructure/ Site Development Preparation - Actual			\$1,560,002					
Public Infrastructure/ Site Development Preparation - 20%			\$2,116,756					
Public Infrastructure Deficit			\$556,754					

Oak Park Townhomes - Round 2

Applicant	Oak Park Townhomes LLC - 3011 E Meyer Blvd, KCMO 64132
Project Name/Location	Oak Park Townhomes (38th & Prospect)
Contact	Dolph Woodman (417) 695-2100 dwoodman@dowcon.net
Project Team	Oak Park Neighborhood, DowCon LLC, Brian Collins (Dromara Development), James Scott & Allison Bergman

Funding Sources

	Amount	Confirmed	Changes	Notes
LIHTC	\$3,139,957	Yes	Yes	
CCED	\$2,800,000	Yes	Yes	
MHDC Permanent Loan	\$1,542,949	Yes	No	
PIAC	\$500,000	Yes	No	
Deferred Developer's Fee	\$200,644			
Total Project Cost	\$8,183,550	Investment to Project Cost		34.21%

Project Description	<p>The Project as proposed will utilize sales tax funds for the costs of constructing a multi-family residential development consisting of 35 affordable units in the area generally located at 38th Street and Prospect Avenue. All 35 units will be affordable housing, with 17 units assisted with Project-Based Vouchers for households below 50% AMI. Twenty-eight (28) of the Townhomes will be 3-bedroom townhomes, with seven (7) one bedroom units, serving families and veterans. The Salvation Army will provide services for the veteran population, while First Call will provide substance abuse and dependency services. MHDC has allocated 4% Low-Income Housing Tax Credits to this project as well as CCED and Public Improvements Advisory Committee (PIAC).</p>
Project Outcomes	<p>Creates additional production of 35 affordable housing in the core city for low income households and veterans.</p>
Jobs Created	<p>3</p>
Construction Jobs	<p>20* <i>(from Advance KC Scorecard)</i></p>

Project Status

8/2019	City Council adopted Resolution 190652 - Accepting the recommendation of the CCED Board to fund an economic development project proposed by Oak Park Neighborhood Association for funding to support development of affordable multi-family housing generally to be located at 38th Street and Prospect Avenue in the amount of \$2,800,000.00 and authorizing the City Manager to negotiate a Funding Agreement for that purpose.
4/2020	Project recommended for 4% LIHTC by MHDC.
6/2020	Initial draft of funding agreement provided to the Law Department for review.
6/2020	Received MHDC Conditional Reservation Agreement.
8/2020	Received approval of PIAC funds.
6/2020	Developer requested a 100% / 10 - year property tax abatement from EDC due to the reduced cash flows experienced by affordable housing projects.
9/2020	Developer provided copy of final commitment from MHDC. The Funding Agreement will be drafted to mirror the Prospect Summit Funding Agreement. LIHTC included on project; hence closing must occur simultaneously with MHDC.
11/2020	Draft loan documents and funding agreement provided to developer for review.
11/2020	Ordinance approving funding agreement submitted to Council for 1st Reading.

Prospect Summit Duplexes - Round 2

Applicant	Taliaferro & Browne Real Estate - 22nd/23rd Street LLC
Project Name/Location	Prospect Summit Duplexes
Contact	Leonard Graham 816-283-3456
Project Team	Leonard Graham, Hagos Andebrhan, Allison Bergman, Mt Pleasant Education and Development Corporation

Funding Sources				
	Amount	Confirmed	Changes	Notes
CCED	\$1,900,000	Yes	Yes	
LIHTC	\$208,034	Yes	Yes	
HOME Funds	\$1,100,000	Yes	Yes	
Loan Funds	\$1,269,044	No		
Opportunity Funds	\$600,000	No	No	
Other	\$576,457	No		

Total Project Cost	\$5,653,535	Investment to Project Cost	34%
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Project Description The Project as proposed will include 23 newly constructed affordable apartments in 12 duplex units to be located at or near 22nd and 23rd Streets and Prospect Avenue in Kansas City, Jackson County, Missouri.

Project Outcomes Creates additional production of affordable housing in the core city for elderly and low income households.

Jobs Created

Construction Jobs

Project Status

8/2019 City Council adopted Resolution 190662 - Accepting the recommendation of the CCED Board to fund an economic development project proposed by Taliaferro and Browne Real Estate 22nd/23rd Street, LLC for funding to support the development of 23 units of newly constructed affordable housing to be located at or near 22nd and 23rd Streets and Prospect Avenue in Kansas City, Jackson County, Missouri in the amount of \$1,900,000.00 and authorizing the City Manager to negotiate a Funding Agreement for that purpose.

12/2019 Applicant applied for 4% LIHTC. MHDC published a preliminary recommendation granting the project \$208,034 - Federal 4% Tax Credits and \$ 1,100,000 HOME funds. The final decision is expected the end of January. CCED has met with applicant to provide them with a list of documentation needed to proceed with funding agreement.

2/2020 Applicant received MHDC conditional letter for 4% Federal Tax Credits and \$1,100,000 MHDC HOME Funds. Applicant provided documentation allowing NHS to move forward with drafting funding agreement. Project submitted for HRD Goals and preparing to attend March 2020 Fairness in Construction Board.

4/2020 MWBE goals approved by Fairness in Construction Board.

6/2020 Environmental Review Officer published Environmental Review Record in the KC Star with an anticipated date to issue a Request for the Release of Funds on July 7th.

6/2020 MHDC notified NHS staff the firm commitment would not be issued on July 31st whereas the developer requested an extension to MHDC. Environmental Review Officer will be required to resubmit the ERR in the KC Star following review and approval by MHDC.

7/2020 NHS staff provided a draft of the funding agreement and loan documents to be reviewed by legal.

7/2020 Legal returned comments of funding agreement to NHS staff.

10/2020 Funding agreement and loan documents drafted to supplement MHDC documentation. Environmental review is in process for HOME Funding by MHDC and City.

11/2020 Ordinance approving funding agreement submitted to Council for 1st Reading.

Palestine Economic Development Corp - Round 2

Applicant	Palestine Economic Development Corporation			
Project Name/Location	Palestine Legacy Residences - 34th - 35th & Prospect Avenue			
Contact	Melvin Gross melvin.gross@sbcglobal.net (816) 564-8501			
Project Team	Melvin Gross (PEDC), James Scott, Brian Collins, Craig Elmore, DowCon			
Funding Sources				
	Amount	Confirmed	Changes	Notes
CCED	\$2,288,008	Yes	Yes	
New Market Tax Credits	\$1,298,758	No		Need approval
HUD Section 232 Loan wGershaman Mortgage	\$1,200,000	No		Need approval
TBD	\$400,000	No		Not identified
Deferred Developer Fee	\$300,000			
Total Project Cost	\$5,486,766	Investment to Project Cost		42%
Project Description	Provision of decent and modern assisted living care to residents of central Kansas City at affordable monthly charges. Creation of 25 new, permanent healthcare jobs at a living wage or above. Elimination of blighted properties and neighborhood nuisances at the visible and key intersection of 35th Street and Prospect Avenue. Extension of the continuum of care provided by the Palestine Village developments allowing senior and other residents to remain in the community and supporting existing business and institutions. Increased use of and support for transit investments including the Prospect MAX BRT line.			
Permanent Jobs	24.5 jobs - average salary \$29,938			
Construction Jobs	78			
Project Status				
7/2019	CCED Sales Tax Board voted to recommend project for funding.			

9/2019	Council approved ordinance 190650 to provide funding to Palestine Economic Development Corporation to support the construction of a 39-bed assisted living facility to be located at 35th Street and Prospect Ave in the amount of \$2,288,008.00 and authorizing the City Manager to negotiate a Funding Agreement for that purpose.
12/2019	PEDC requested predevelopment budget to complete first phase of project. Palestine Legacy Residences (PLR) assisted-living project team has been working with the ATA and their legal counsel towards a plan to complete the property acquisition needed for the development. The PLR development site includes 11 properties. Currently, PEDC owns 5 parcels and the ATA has acquired 2 additional properties, leaving 4 properties to be purchased. The acquisition of these 4 parcels would not only complete the PLR site, but also remove the blighting influence of the liquor store and several vacant and underutilized buildings on Prospect.
2/2020	PEDC partially returned requested checklist items. Staff met with development team to discuss phasing of project.
5/2020	PEDC provide consultants with updated budget for pre-development fees
6/2020	Developer submit updated budget for Phase I (Acquisition of 4 properties and demolition).
8/2020	HRD Goals not required for construction; however goals established for professional services. Project will have to adhere to prevailing wage guidelines.
8/2020	Legal review and approve draft of Funding Agreement for Acquisitions.
11/2020	Message sent to developer requesting meeting to discuss status of funding agreement.