



# CENTRAL CITY ECONOMIC DEVELOPMENT *Sales Tax*

**Tuesday, November 9, 2021**

**12:00 pm – 2:00 pm**

Zoom Meeting: <https://zoom.us/j/94196295826>

Meeting ID: 941 9629 5826

Phone: (646) 558-8656 Passcode: 94196295826#

1. Call to Order
2. Public Comment
3. Approval of Minutes
  - o October 12, 2021
4. Treasurer's Report
5. Prevailing Wage
6. Marketing & Communications
7. Round IV RFP & Administrative Services Update
8. Project Funding Modifications
9. Other Business
10. Additional Business
  - o There may be general discussion of matters related to the Central City Economic Development Sales Tax.
  - o 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.
11. Adjourn

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 October 12, 2021 Board Meeting

<b>Board Members Present</b>	DJ Pierre, Chair Melissa Patterson Hazley, Vice Chair Kenneth Bacchus, Treasurer Makini King, Board Member Nia Richardson, Board Member
<b>Consultants Present</b>	Cheryl Harrison Lee, HLDC Consulting Lelia Allen, HLDC Consulting Riccardo Kisner, HLDC Consulting
<b>City of KCMO Staff Present</b>	Shontrice Patillo, Housing and Community Development Department Jennifer Tidwell, Housing and Community Development Department Katie Chandler, Law Department Eric Clevenger, Finance Department Jose Gonzalez, City Communications Chris Hernandez, City Communications Emalea Black, Office of the City Attorney Chase Johnson, City Planning and Development
<b>Community Members Present</b>	Phyllis Hardwick, Community Capital Fund Paul Lewis, Lathrop GPM - KC Town Hall Allison Bergman, Hardwick Law Firm Nailah M’Biti, Ivanhoe Shalaunda Holmes, UNI Inc Colleen Hernandez, Hernandez Consulting LLC and affordable housing advocate Brian Collins, Dromara Development LLC Canela Hayden, Greater Kansas City Housing Information Center Jerry McEvoy Kelvin Simmons Allan Gray Omar Kahil

Call to Order:

Chairman Pierre called the meeting to order at 12:06pm.

Public Comment: There were no comments from the public.

Approval of Minutes: Board Member Bacchus moved to approve the minutes and Board Member King seconded the motion.

Treasurer’s Report: Eric Clevenger presented the Treasurer’s Report. Mr Bacchus moved to accept the report. The motion was seconded by Chair Pierre. The motion passed with a vote of 5-0.

Round 4 RFP and Administrative Services Update: Cheryl Harrison Lee reported a draft RFP has been reviewed by the Chair and Vice Chair. A few modifications are needed prior to circulating to the full board. Ms. Harrison Lee reported the RFP is focused on Neighborhood Preservation and Blight Elimination. The City's legal department is adding standard procurement language and the board will provide feedback on eligible activities and types of projects. Ms. Harrison Lee further stated the RFP is comprehensive and very detailed providing the developer clear expectations of what is needed to respond to the RFP.

Board member Richardson inquired about the selection criteria and recommended hosting a preproposal meeting in conjunction with the RFP.

#### Administrative Services RFP

Cheryl Harrison Lee conveyed within the next 90 – 180 days HLDC is prepared to enter into a short contract to provide administrative services to focus on three areas: Human Resources Function - hiring staff, recruitment and selection; Community Outreach - Marketing and Communication; and identifying office space, acquiring furniture and equipment.

Board Member Richardson requested clarity on the Consultant hiring the Executive Director or the Consultant hiring the complete team, where the person will sit and report.

The Chair responded there is no preference as long as there is a "Lead". The person could either be Cheryl or Cheryl's team hiring someone. The CCED Executive Director should have the same function of the Executive Director for the PIEA. An RFP is not needed. Once the City has contracted with an organization similar to the EDC, the entity has the ability to address staffing needs as written in the contract. The board will provide HLDC time to submit a budget and detailed scope.

Chair Pierre stated the preferred structure will be to have HLDC hire and manage CCED staff.

Mr. Bacchus expressed amending the contract with HLDC to add funds to hire staff to implement CCED processes. In addition, HLDC will contract for office space, equipment and support. The staff will not report to the City but HLDC and the CCED Board.

Chair Pierre confirmed.

Ms. Richards requested the consultant provide a budget and detailed scope determine before the Special Meeting.

#### Online Application

Ms. Leila Allen, HLDC provided a summary of an online application system that would support review, evaluation and project monitoring. HLDC recommended ZoomGrants. The cost would include an Annual Subscription in the amount of \$3,500 and a subscription amount of \$2,500 for each program (RFP).

Board members King and Bacchus are supportive of an application system but are interested in exploring systems the City is currently using.

Ms. Richardson expressed this is an opportunity to build a platform that could be customized and suggested working with city staff to determine needs.

### Consultant's Report

Ms Harrison Lee reported the consultant team has been working on review of an online application system, finalizing Round 4 RFP and the administrative services RFP.

Richardson requested a monthly written report provided with the minutes.

### 38<sup>th</sup> Street Studio Project Modification

Chair Pierre acknowledged the request for modification received would be a deviation from the boards policy which is 1% not to exceed \$150,000. The budget is very different than the budget of \$641,000 originally submitted. The project budget has increased to \$1,500,000. The Chair is comfortable with offering 1% or \$15,000.

The developer did not receive notice of the agenda. The request for modification will be added to the agenda of the special meeting.

### Marketing & Communications Update

Chris Hernandez and Jose Gonzalez of City Communications presented revised logos. The board provided comments and requested revisions to be presented at the next meeting.

### Project Updates

Shontrice Patillo of Housing and Community Development provided an update on CCED funded projects. At the request of the board, the City Manager's Office approved CCED projects be funding through a Disbursement Agent. The agent will advance 50% of the funds to be used immediately and the remaining 50% of the funds on a reimbursement basis.

Board Member Robinson was not aware of the funding change.

Vice Chair Hazley responded Councilwoman Robinson recommended the advancement as a measure to assist projects in Rounds 1 through Rounds 3.

Mr. Bacchus conveyed the board does not have the ability to make such decisions and cautioned the manager and council on making 50% available immediately. The capital stack should be verified prior to disbursing funds.

Katie Chandler from the Law Department stated there have been no overriding legislation from the council. There has been discussion on council wishes to make this a policy moving forward.

Ms. Richardson requested clarity and intent of the 50% advancement moving forward.

The Chair recommended discussing the NACCC project at the November Board Meeting.

Other Business: Ms. Richard inquired about reaching out to the Urban Summit about a community planning session. There has been no reply from the Urban Summit.

Adjourn: The meeting adjourned at 2:21 pm following a motion by Ms. Richardson and seconded by Ms. Hazley. The motion passed by a vote of 5-0.

**Central City Economic Development Sales Tax Fund #2200**  
**Comparison of Revenues, Expenditures**  
**and Change in Fund Balance**  
**As of October 29, 2021**

	Actual FY 2019-20	Actual FY 2020-21	Adopted FY 2021-22	Projected Activity FY 2021-22	Activity to Date <sup>1</sup> FY 2021-22	Actuals to Date <sup>2</sup> FY 2021-22
Beginning Fund Balance	\$ 14,729,572	\$ 19,978,759	\$ 3,276,611	\$ 24,781,743	\$ 24,781,743	\$ 24,781,743
Reserve for Encumbrances	-	401,273	-	3,510,209	3,510,209	3,510,209
Rollforward of encumbrances to FY 2022	-	(3,510,209)	-	-	-	-
<b>Total Fund Balance</b>	<b>14,729,572</b>	<b>16,869,822</b>	<b>3,276,611</b>	<b>28,291,953</b>	<b>28,291,953</b>	<b>28,291,953</b>
<b>Revenues</b>						
Sales Tax	10,720,388	9,353,764	9,855,000	9,855,000	5,610,882	5,610,882
Miscellaneous Income	6,028	57,357	56,000	56,000	2,024	2,024
<b>Total Revenues</b>	<b>\$10,726,416</b>	<b>\$9,411,121</b>	<b>\$9,911,000</b>	<b>\$9,911,000</b>	<b>\$5,612,906</b>	<b>\$5,612,906</b>
<b>Expenses</b>						
Wages	49,492	61,488	59,808	59,808	59,808	29,904
Benefits-Insurance-Health-FICA	13,984	19,640	22,090	22,021	22,021	11,059
Pension	6,396	9,986	9,763	9,832	9,832	5,778
Employee charged-in	-	7,689	-	-	-	544
<b>Salary and Wages Subtotal</b>	<b>69,872</b>	<b>98,803</b>	<b>91,661</b>	<b>91,661</b>	<b>91,661</b>	<b>47,285</b>
Training/Meeting Exp.	2,408	1,138	-	-	-	-
Catering/Food	303	-	-	-	-	-
Printing / Office Supplies/Advertisements	533	273	500	500	500	367
<b>Meeting and Other Related Expenses Subtotal</b>	<b>3,244</b>	<b>1,411</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>367</b>
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	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)	-	139,927	-	66,024	66,024	66,024
<b>Round 1 Funding Subtotal:</b>	<b>4,741,934</b>	<b>139,927</b>	<b>-</b>	<b>1,214,864</b>	<b>1,214,864</b>	<b>1,214,864</b>
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	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	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
<b>Round 2 Funding Subtotal:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,691,631</b>	<b>10,691,631</b>	<b>1,507,853</b>
Conrad Wright Media Building (Round 3 Recommendation)	-	-	-	200,000	200,000	-
CELT (Round 3 Recommendation)	-	-	-	282,354	282,354	-
Parade Park Homes (Round 3 Recommendation)	-	-	-	905,000	905,000	-
One Nine Vine (Round 3 Recommendation)	-	-	-	3,960,000	3,960,000	-
Jazz Hill Homes (Round 3 Recommendation)	-	-	-	3,974,296	3,974,296	3,974,296
The Overlook (Round 3 Recommendation)	-	-	-	5,000,000	5,000,000	5,000,000
Santa Fe (Round 3 Recommendation)	-	-	-	610,000	610,000	610,000
<b>Round 3 Funding Subtotal:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,931,650</b>	<b>14,931,650</b>	<b>9,584,296</b>
Small Business Stabilization (Covid-19 Recommendation)	-	500,000	-	-	-	-
Essential Services Program (Covid-19 Recommendation)	-	500,000	-	-	-	-
<b>Covid-19 Funding Subtotal:</b>	<b>-</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Ivanhoe Neighborhood Council (Supplemental Funding)	-	-	-	287,492	287,492	287,492
Emanuel Family & Child Development (Supplemental Funding)	-	-	-	500,000	500,000	500,000
<b>Supplemental Funding Subtotal:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>787,492</b>	<b>787,492</b>	<b>787,492</b>
<b>Projects Recommended for Funding Subtotal</b>	<b>4,741,934</b>	<b>1,139,927</b>	<b>-</b>	<b>27,625,637</b>	<b>27,625,637</b>	<b>13,094,505</b>
Dean & Dunn Consultant Services (2nd Year)	101,520	89,728	-	-	-	-
Harrison-Lee Consultant Services (2nd Year)	159,386	169,331	-	364,000	364,000	364,000
<b>Consulting Services Subtotal</b>	<b>260,906</b>	<b>259,059</b>	<b>-</b>	<b>364,000</b>	<b>364,000</b>	<b>364,000</b>
<b>Contractual Services</b>	<b>-</b>	<b>-</b>	<b>9,271,091</b>	<b>9,271,091</b>	<b>9,271,091</b>	<b>-</b>
<b>Total Expenditures</b>	<b>5,075,956</b>	<b>1,499,199</b>	<b>9,363,252</b>	<b>37,352,889</b>	<b>37,352,889</b>	<b>13,506,157</b>
<b>Surplus (Deficit)</b>	<b>5,650,460</b>	<b>7,911,922</b>	<b>547,748</b>	<b>(27,441,889)</b>	<b>(31,739,983)</b>	<b>(7,893,251)</b>
<b>Total Ending Fund Balance</b>	<b>\$ 20,380,031</b>	<b>\$ 24,781,743</b>	<b>\$ 3,824,359</b>	<b>\$ 850,063</b>	<b>\$ (3,448,031)</b>	<b>\$ 20,398,701</b>

**Footnotes:**

1. Reflects actual FY 22 collected revenues and city appropriations within the city's financial system.
2. Reflects actual FY 22 collected revenues, expenditures and encumbrances in the city's financial system.

**CCED Project Updates - Round 1 (November 2021)**

FA	Project	Summary	CCED Budget	Project Budget	Leveraged Funds	LTV	Infrastruc.	Funds Disbursed	Mod	
x	Linwood Shopping Square	Renovation Retail Shopping Center	\$2,389,146	\$8,592,000	\$6,202,854	27.81%		\$2,389,146		Project Complete
x	MACPEN Enterprise	Construction of Child Care Center with Services	\$1,000,000	\$3,249,750	\$2,249,750	30.77%		\$1,000,000		Project Complete
x	Community Builders of Kansas City	Renovation for Entrepreneur Space at 5008 Prospect	\$627,785	\$752,785	\$125,000	83.39%		\$627,785		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%		\$725,000		Construction for the 2nd part of the project will commence 4th Quarter 2021
x	Ivanhoe Neighborhood Council	Senior Cottages at 39th Street	\$1,221,332	\$2,174,632	\$953,300	56.16%				Construction Commenced
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 will need to make application from the LandBank on identified homes to be rehabbed.
x	Neighborhoods United	Rehabilitation of Homes for Disabled Veterans	\$313,804	\$627,608	\$313,804	50.00%		\$139,927		Construction ongoing. Contract Amendment provided to developer to extend the term of the agreement.
<b>Total</b>			<b>\$6,992,067</b>	<b>\$32,706,162</b>		<b>21.38%</b>		<b>\$6,992,067</b>		
<b>Public Infrastructure/ Site Development Preparation - 20%</b>			<b>\$1,398,413</b>					\$1,398,413		
<b>Actual - Public Infrastructure/ Site Development Preparation</b>										
<b>Public Infrastructure Deficit</b>			<b>\$1,398,413</b>					\$1,398,413		

**CCED Project Updates - Round 2 (November 2021)**

FA	Project	Summary	CCED Funds	Project Budget	Leveraged Funds	LTV	Funds Disbur	Mod	Infrastruc.	
D	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 returned executed Funding Agreement. Forwarded to City Planning & Development to process.
	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%				Contract negotiations ongoing
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 negotiated but not executed. Insurance binder provided. Awaiting checklist documents, insurance and signed funding agreement.
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	Funding Agreement Complete
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%				Funding Agreement Complete
x	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 Complete

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%		x	\$1,010,002	The Funding and Loan Agreements drafted.. Project has been working through rezoning, PIEA revenue bonds and tax abatement, clear title liens and checklist items from MHDC, syndicator and CCED..
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	Funding Agreement Complete
<b>Total</b>			<b>\$10,583,778</b>							
<b>Public Infrastructure/ Site Development Preparation - Actual</b>			<b>\$1,560,002</b>							
<b>Public Infrastructure/ Site Development Preparation - 20%</b>			<b>\$2,116,756</b>							
<b>Public Infrastructure Deficit</b>			<b>\$556,754</b>							



**CCED Projects - Round 3 (November 2021)**

FA	Project	Summary	CCED Budget	Project Budget	Leveraged Funds	LTV	Funds Disbursed	Mod	Infrastructure	Developers Target	Council Target Date
D	One Nine Vine	Mixed-Use new construction including 80 apartments (30 one bedroom, 50 two bedroom, 14 affordable) and 138 space above ground parking garage	\$3,960,000	\$18,133,565	\$14,173,565	21.84%		x		8/2021	6/2021
D	Conrad Wright Media Building	Rehabilitation of existing building for mixed-use office space and two affordable apartments	\$200,000	\$600,000	\$400,000	33.33%				8/2021	3/2021
	38th Street Studio	Rehabilitation of existing building located at 3841 Agnes for office space and 5 affordable apartments	\$282,354	\$641,714	\$359,360	44.00%		x		9/2021	3/2021
X	The Overlook District	Site infrastructure for future 11 acre office / mixed-use development	\$5,000,000	\$23,283,520	\$18,283,520	21.47%	\$5,000,000		\$5,000,000	Complete 7/21	6/2021
	Parade Park Homes	Infrastructure/demolition for new construction of 100 multi-family affordable senior apartment units	\$905,000	\$3,244,533	\$2,339,533	27.89%			\$905,000	11/2021	7/2021
X	Jazz Hill Apartments	Multi-Family rehabilitation of Jazz Hill Apartments - 197 affordable units	\$3,974,296	\$21,471,336	\$17,497,040	18.51%	\$3,212,056		\$40,000	8/2021	6/2021
X	Santa Fe Homes	Home rehabilitation program for homeowners in the Santa Fe Neighborhood (\$50,000 maximum loan per home)	\$610,000	\$1,395,000	\$785,000	43.73%	\$610,000			7/2021	6/2021
<b>Total</b>			<b>\$14,931,650</b>			<b>30.11%</b>	<b>\$8,822,056</b>				
<b>Public Infrastructure/ Site Development Preparation - 20%</b>			<b>\$2,986,330</b>								
<b>Public Infrastructure/ Site Development Preparation - Actual</b>			<b>\$5,945,000</b>						<b>\$5,945,000</b>		