

Ellis Glen Apartments  
LCRA Redevelopment Plan

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Land Clearance for Redevelopment Authority of  
the City of Lee's Summit, Missouri

February 22, 2023

## **1. Purpose Of This Redevelopment Plan**

This Redevelopment Plan has been prepared in accordance with the Land Clearance for Redevelopment Authority Act which is set forth in sections 99.300 through 99.715 of the Revised Statutes of Missouri (the “LCRA Act”) for the redevelopment of the property (the “Property”) by Ellis Glen LLC or its assign (“Developer”), which is depicted and legally described on Exhibit 1 attached hereto. The purpose of this LCRA Redevelopment Plan is to:

- carry out the policy statement of the LCRA Act set forth in Section 99.310, RSMo, and more particularly, redevelop the property to cure the blighted conditions as described by Valbridge Property Advisors on Exhibit 2 attached hereto; and
- provide sales and use tax exemption on construction materials; and
- provide real property tax abatement in the amount of 75% for 25 years.

The mechanism to achieve these purposes is to establish public ownership by the City of Lee’s Summit during the construction of the project and the abatement period after construction of the project for the Developer to receive (1) a sales tax exemption certificate for the purchase of construction materials that are used for the construction of the project and (2) the agreed upon tax abatement amount for the specified period for the real property taxes.

## **2. Description of the Project**

This LCRA Redevelopment Plan provides for the redevelopment of the property located at the Northwest Corner of 2<sup>nd</sup> Street and Market Street in Lee’s Summit, MO, consisting of five abandoned single family lots at 102 – 110 Market St with a combined 1.17 Acres. Three of the lots currently have houses on the lots that have been deemed blighted. The new project will be three stories tall totaling approximately 33,000 sf. The ground level will be dedicated to commercial tenants and be approximately 8,000 sf, floors 2-3 are approximately 24,000 sf consisting of 26 apartment units. The project will have an observation area on the 4<sup>th</sup> floor, and is projected to contain 48 surface parking stalls, with 9 stalls of the 48 being covered. Further project description can be seen on attached Exhibit 3.

## **3. Description of the Parties**

**Developer:** The Developer is **Ellis Glen, LLC** a Missouri Limited Liability Company that has purchased the land, will coordinate design, construct, own and operate the property. During the effective period of City Ownership, the Developer will lease the property from the City pursuant to the Lease Agreement that will be approved by the City Council.

*City of Lee's Summit, Missouri:* The City is a constitutional home rule charter city and municipal corporation organized and existing under the laws of the State of Missouri. The City will lease the property to the Developer during the construction period and the abatement period pursuant to the Lease Agreement.

#### **4. Power and Authority Under the LCRA Act**

The LCRA and the City are authorized and empowered pursuant to Section 99.420, RSMo, and other provisions of the LCRA Act, to exercise the following powers which are relevant to this LCRA Redevelopment Plan:

- Execute Contracts to implement its authority: “To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of authority.” (99.420(1))
- Acquire blighted property for development and redevelopment: ““Land Clearance project”, any work or undertaking: (a) To acquire blighted, or insanitary areas or portions thereof, including lands, structures, or improvements the acquisition of which is necessary or incidental to the proper clearance, development or redevelopment of the blighted or insanitary areas or to the preventing of the spread or recurrence of substandard or insanitary conditions or conditions of blight.” (99.320(10))
- The LCRA may prepare redevelopment plans and recommend approval to City Council: “To prepare or cause to be prepared and recommend redevelopment plans and urban renewal plans to the governing body.” (99.420(2))
- Build and repair public improvements: “To arrange or contract for the furnishing or repair, by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities or other facilities or in connection with a land clearance project or urban renewal project.”(99.420(3))
- Acquire, buy, sell, mortgage and lease real estate and execute contracts for real estate: “Within its area of operation, to purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, eminent domain or otherwise, any real or personal property or any

interest therein, including fee simple absolute title, together with any improvements thereon, necessary or incidental to a land clearance project or urban renewal project to sell, lease, exchange, transfer, assign, subdivide, retain for its own use, mortgage, pledge, hypothecate or otherwise encumber or dispose of any real or personal property or any interest therein; to enter into contracts with redeveloper of the property and with other public agencies containing covenants, restrictions and conditions regarding the use of such property for residential, commercial, industrial, recreational purposes in accordance with the redevelopment or urban renewal plan and to enter into any contracts necessary to effectuate the purpose of this law” (99.420(4))

- Approve plans for redevelopment of existing structures: “To make plan for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, plans for the enforcement of state and local codes, and regulations relating to the use of land and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements.” (99.420(6))
- Hold public hearings: “Acting through one or more commissioners or other persons designated by the authority, to conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter for its information” (99.420(9))
- Spend public funds: “To make expenditures as may be necessary to carry out the purpose of this law” (99.420(12))
- City Council can exercise all LCRA powers after delegation by LCRA: “To delegate to a municipality or other public body any of the powers or functions of the authority with respect to the planning or undertaking of a land clearance project or urban renewal project in the area in which the municipality or public body is authorized to act, and the municipality or public body is hereby authorize to carry out or perform such powers or functions for the authority.” (99.420(13))
- Exercise general municipal powers to implement the redevelopment plan: The LCRA has “all the powers necessary or convenient to carry out and effectuate the purpose and provisions of this law” (Section 99.420 introductory clause) and “exercise all powers or parts or combinations of powers necessary, convenient or appropriate to undertake and carry out land clearance, redevelopment and urban renewal plans and all the powers herein granted.”

Other grants of power and authority under the LCRA Act may become applicable to the implementation of this LCRA Redevelopment Plan. The LCRA Act defines “redevelopment plans” and “urban renewal plans” and the definition of these items in Section 99.320, RSMo,

which cross-reference the other definition. All of the procedural requirements and legal authority for each type of plan apply to LCRA redevelopment plans.

## **5. Requirements of the LCRA Act**

Section 99.430, RSMo, requires that each LCRA redevelopment plan contain certain data and information. This section sets forth several statutory requirements for a redevelopment plan under the LCRA Act along with additional statement or additional data and information to satisfy the requirements.

*Relationship to definite local objectives as to appropriate land uses, improved traffic public transportation, public utilities, recreational and community facilities and other public improvements*

The City Council has approved Application **#PL2022-192 - REZONING from RP-2 to CBD and PRELIMINARY DEVELOPMENT PLAN for land located at 102-110 SW Market Street; Ellis Glen applicant, which was approved by Ordinance No. 9512 on October 4, 2022.** The preliminary development plan addresses building use, affected area, utilities, storm water detention, building materials and all other pertinent information concerning the project. The approved Preliminary Development Plan and all documents considered by the Planning and Zoning Commission when reviewing the Preliminary Development Plan will be entered into evidence concurrently with consideration of this LCRA Redevelopment Plan.

The Planning Commission's consideration and recommendation of the Preliminary Development Plan satisfied the requirements set forth in Section 99.430 of the LCRA Act which requires Planning Commission to review and provide a recommendation to the City Council on the Conformance of this LCRA Redevelopment Plan with the general plan for the development of the community as a whole. The recommendation on the rezoning and Preliminary Development Plan addresses other requirements of the LCRA Act as discussed below.

*Boundaries of the land clearance or urban renewal project area, with a map showing the existing uses and condition of the real property therein*

See Exhibit 1 Approved PDP Plan

***A land use plan showing the proposed uses of the area***

The Approved PDP addresses this requirement.

***Statement of proposed changes, if any, in zoning maps or ordinances, street layouts, street levels or grades, building codes or ordinances***

Changes to the property's zoning has been addressed during the Preliminary Development Plan and has already been completed and approved by the City Council on October 4, 2022.

***A schedule indicating the estimated length of time needed for completion of the plan***

The project will be completed in a single phase. Once construction begins it will take 12-14 months for construction to complete. The anticipated commencement date is April 2023, with a target for Construction to be complete April of 2024.

***Submission to the Planning Commission for determination as to whether the Redevelopment Plan is consistent with the Comprehensive Plan***

As part of the Planning Commission's recommendation of approval of the Preliminary Development Plan, the Planning Commission has determined that the Redevelopment Plan is Consistent with the Comprehensive Plan.

***A statement of the proposed method and estimated cost of the acquisition and preparation for the redevelopment or urban renewal of the land clearance or urban renewal project area***

Ellis Glen, LLC. currently has ownership of the project land.

***The Estimated proceeds or revenues from its disposal to redevelopers***

The property is Owned by Ellis Glen LLC and then transferred to the City for the Lease Agreement period. As a result, the LCRA and the City will not be disposing of the Property to other redevelopers.

***Statement of the proposed method of financing the project***

100% Private Financing (part debt, part equity)

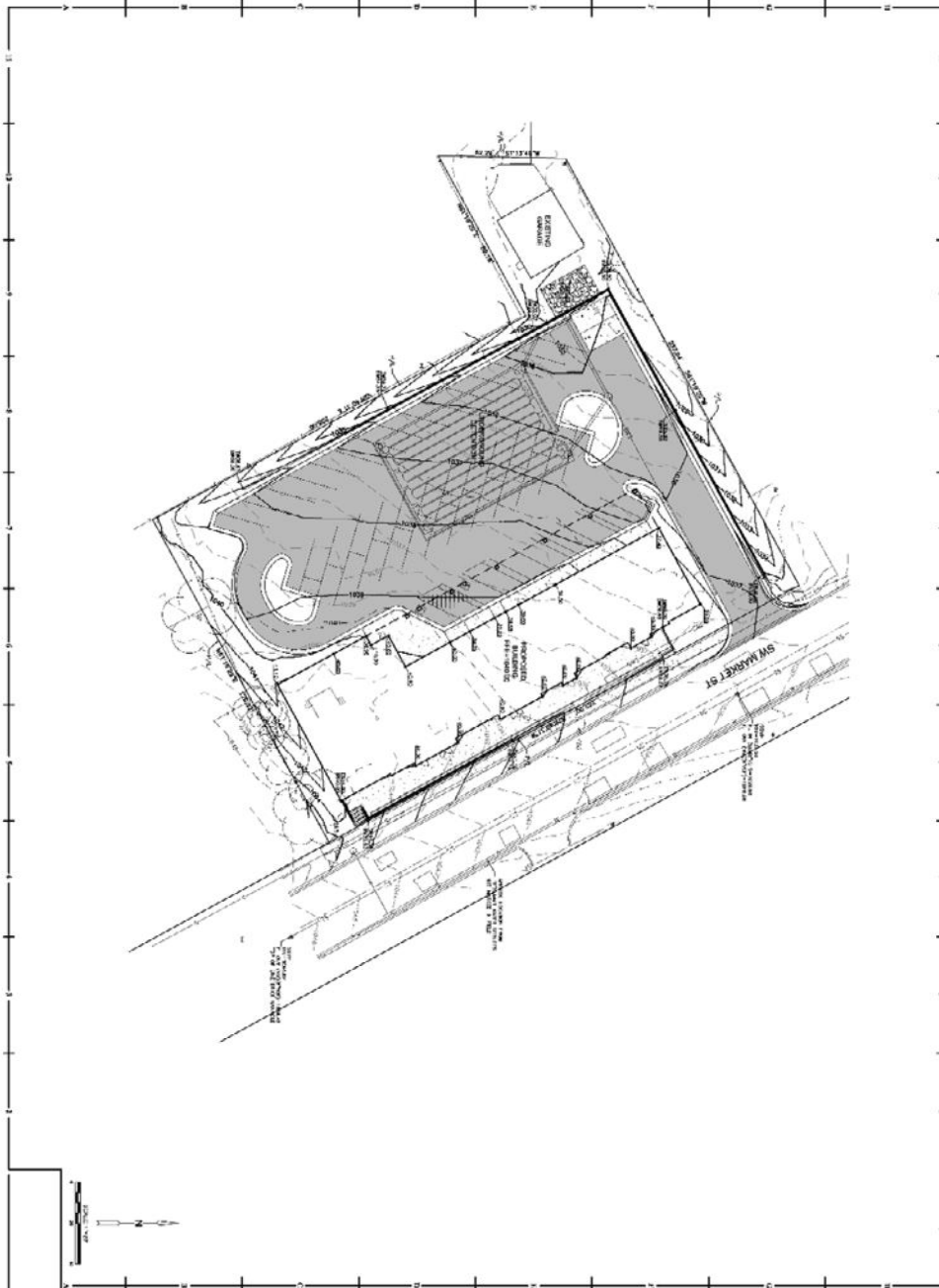
## **6. Statement of Financial Benefit**

The total cost of the project is approximately \$8,028,400. The building materials purchased for the construction project are expected to be exempt from Missouri sales and use tax pursuant to the provisions of Section 144.062, RSMo. The sales and use tax exemption benefit would be the result of the LCRA Redevelopment Plan is estimated as follows:

- Construction Budget: \$6,500,000
- Percentage of Cost dedicated to materials 30%
- Estimated Sales Tax Rate 7.85%
- Estimated Saving from Missouri sales and use tax: \$164,850
- Total Project savings 2.65%







GRADING PLAN

PROJECT NO. **C103**

DATE: 1/2/2022

**ELLIS GLEN**  
2ND & MARKET ST.  
LEE'S SUMMIT, MO 64063

COMPILED BY  
COLLEEN WEBB  
ARCHITECTURE  
ARCHITECTS

**CWV**  
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**Exhibit 2**  
**Valbridge Property Advisors Study**  
**See Blight Study**

**Exhibit 3**  
**Legal Descriptions**

1. Address: 102 SW Market Street:

**Legal Description:**

SEC-06 TWP-47 RNG-31; BEG 329' NW OF NW COR 2ND AND MARKET ST N 8 DEG W 54' TH S 59; DEG W 237' TH S 31 DEG E 62 1/2' TH N 59 DEG E 269' TO POB

2. Address: 104 SW Market Street:

**Legal Description:**

SEC 6 TWP 47 RNG 31; .22 AC BEG 278' NW OF NW COR 2ND AND MARKET ST TH NW 52' TH SW; 180' TH SE 52' TH NE 180' TO BEG

3. Address: 106 SW Market Street:

**Legal Description:**

SEC 6 TWP 47 RNG 31; .22 AC BEG 226' NW OF NW COR 2ND AND MARKET ST TH NW 52' TH SW; 180' TH SE 52' TH NE 180' TO BEG

4. Address: 108 SW Market Street:

**Legal Description:**

SEC 6 TWP 47 RNG 31; LOT 9 OF UNRECORDED PLAT PALMER ADD BEG AT MARKET AND 2ND TH; NWLY 180' TH NWLY TRU POB TH SWLY 180' TH NLY 52' TH NELY; 180' TH SELY 52' TO POB

5. Address: 110 SW Market Street:

**Legal Description:**

SEC-06 TWP-47 RNG-31; LOT 8 OF UNRECORDED PLAT PALMER ADD BEG NW COR; MARKET ST AND 2ND TH NWLY 121' TO TRU POB TH SWLY; 180' TH SELY 52' TH NELY 180' TH NWLY 52' TO POB.