

**CITY OF LEE'S SUMMIT
LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY (LCRA)
DRAFT MEETING MINUTES**

DATE: January 25, 2017
TIME: 3:00 p.m.
PLACE: Lee's Summit City Hall, Council Committee Room
220 SE Green Street
Lee's Summit, Missouri

1. Call to order at 3:01 p.m. by Chair Donna Gordon.

Board Members Present: Donna Gordon, Chair
Mark White, Vice Chair
John Lovell
Shelley Kneuvean

Staff: Mark Dunning, Assistant City Manager
Christopher Hughey, Development Center
Ryan Elam, Development Center
Colene Roberts, Citizen Committee Support

Guest: Ben Rao

2. Approval of December 7, 2016 meeting minutes

Mr. White made a motion to approve the minutes for the December 7, 2016 meeting. Mr. Lovell seconded. The motion passed unanimously approving the meeting minutes.

3. Presentation and consideration of LCRA redevelopment project Application, Cowork Lee's Summit, 210 SW Market Street, Application #2017-001; SF003, LLC / Cowork LS applicant

Ben Rao gave a presentation on his project. Cowork LS will be located at the old downtown post office. The project application only includes the building and the small parking lot on the Market Street parcel. The Jefferson Street parcel (paved area) is not included. There is an overall redevelopment plan for that block and he showed a visual representation of how his project could fit into that plan. He reviewed some of the benefits to the community from this project; the potential reach of community connections that could be made as a result of the project; and networking and collaboration opportunities for local businesses. Cowork will be funded by membership dues and events; corporate sponsorships; grants and fundraising; and local government support. Besides offices, flex desk space and common areas, the facility will include a deli/coffee shop and a small bar space. There will be an event space of 1,800 square feet. The types of members will likely include small businesses, nonprofits, freelance workers, and small teams. The building would be rehabilitated to include a much more attractive façade and an outside patio. A number of infrastructure improvements were listed, including adding some green stormwater management techniques to reduce runoff. Other environmentally friendly features will be included, such as, charging stations for vehicles, rooftop solar panels, and energy efficient design. Project expenses on

infrastructure improvements were reviewed. The interior of the building will be renovated, as well. This includes all of the existing space of nearly 13,000 square feet. A small amount of additional square footage may be added. There will be some new outdoor space in front and in back of the building (patio or decking).

The project utilizes property owned by the federal government so the City has never collected taxes from the property. This makes it difficult to capture the base property tax. The assessed value at the time of sale can be estimated to help determine the increment. The impact of the project is measured based on remediation of blight, new taxes coming in, and new jobs created (above median). The number of Cowork employees on site will be few but there may be many jobs created by the businesses that inhabit Cowork. It will be difficult to measure the jobs created or relocated to Lee's Summit. The sales tax coming in from the deli/coffee shop within the building will likely be much higher than the amount estimated in the worksheet. The total investment in the facility, beyond the purchase price, is estimated to be \$950,000. Ms. Kneuvean stated that she would like to see a minimum investment amount certified and included as a variable in future projects. Mr. White made a motion to recommend approval of 100% abatement for 8 years at an estimated total of \$204,096, including stipulations in the agreement on the minimum investment in the property, any change to the business model, and a benchmark for the jobs created. Ms. Kneuvean seconded. The motion passed.

Mr. Dunning will contact Mr. Rao and Ms. Gordon with a meeting date once the application is scheduled with the City Council.

4. Roundtable

Ryan Elam, the new Director of the Development Center, was introduced.

7. Adjournment

Ms. Gordon adjourned the meeting at 4:42 p.m.

Minutes prepared by Colene Roberts