

	City of Lee's Summit Law Department Memorandum	
	To:	Mayor and City Council
	From:	David Bushek, Chief Counsel of Economic Development & Planning
	Date:	June 16, 2021
	Re:	Downtown Market Plaza – Status Report to City Council

This memorandum is the first status report to the City Council following execution of the Development Structure Agreement between the City, Lane4 Property Group, Inc. (“Lane4”), and Biederman Redevelopment Ventures (“BRV”) on May 21, 2021. City staff has committed to providing a monthly status report to the City Council as the City’s work on the Downtown Market Plaza proceeds under the Development Structure Agreement. This memorandum summarizes the significant events that have been completed since execution of the Development Structure Agreement.

Kick-Off Meeting

On May 18, 2021, City staff, Lane4 and BRV held their initial meeting, in person with one videoconference participant, following execution of the Development Structure Agreement. The following issues were discussed at that meeting:

Schedule of Stakeholder Meetings – We discussed the plan to have BRV initiate the series of stakeholder meetings. The issues to be addressed include:

- Agenda for the meetings
- Who will lead these meetings
- Who will be invited
- Location
- Coordination with Downtown CID Board of Directors.
- Involvement of elected officials
- Involvement of Planning Commissioners and possible presentation at a Planning Commission meeting

City Council Updates –

- City staff plans to update the City Council on a monthly basis, as requested by the Finance Committee.
- The update will typically be provided at the last Council meeting of the month, as part of the “Staff Roundtable” agenda item.

- We may make a presentation to the City Council regarding Stakeholder Meetings and that process, to raise public awareness and actively seek input from stakeholders in the community.
- BRV and Lane4 involvement in monthly updates to City Council as needed

Southwestern Bell Telephone Property (AT&T) –

- Provided list of AT&T requirements to Lane4.
- Update on status of discussions with AT&T.
- Arrangements for redevelopment of western portion of AT&T property (employee parking lot)

KC Comfort Properties LLC (SE corner) –

- Update on status of discussions with property owner.
- Parking options for this property.

Parking –

- Parking arrangements and impact on discussions with adjacent property owners.
- Parking Concepts diagram from City Traffic Engineer.

Demolition Issues –

- Engage City’s environmental engineers (SCS Engineers) for evaluation during demolition, additional soils review for lead contamination levels.
- Available funding for environmental clean-up (escrow account from purchase of property by the City).
- Evaluation of the “Ice House” property.
- Timing of demolition.

Draft Master Budget –

- Preparation of draft budget.
- Work with Lane4 to gather their input and start filling out the budget.

Ownership & Organizational Structure Generally –

- Discussed City’s Ownership & Org Charts with Lane4.
- Will gather more input from Lane4 and BRV on these ownership arrangements and how this facilitates certain financing options.

Financing Options –

- Public financing tools and possible uses for the project.
- City financing options.
- Possible State incentives for downtown rehabilitation.
- Development of budget for individual users.

Contributions, Advertising, Naming Rights –

- Project guidelines for actively seeking contributions, advertising, naming rights, programs that encourage donations in exchange for some reward connected to the project.
- Determining if these should be public discussion points in the initial meetings with stakeholders.
- Discuss these items in connection with financing strategies and state financing options.
- Coordination with City's Cultural Arts Manager.

Private Users –

- Lane4 thoughts on private land uses, and possible parties as tenants.
- Contacts with possible private users, possible bidding process depending upon public financing tools to be used.

Master Architect –

- Discussion about selection of master architect and the process to be used for this selection.

Following the kick-off meeting, City staff had further discussions with Lane4 to continue to make progress on several of the topics above. The City will receive a summary of the process used by Lane4 for the process of selecting a master architect for the project, and a draft of the request for qualifications to be used by Lane 4 for this process. City staff also provided some sample documents that have been used in another project to conduct further evaluation of the ownership and leasing arrangements contemplated by the City.

Next Steps

City staff anticipates that the following steps will be taken in the next month:

- **Master Architect** – City staff will evaluate the process proposed to be used by Lane4 for selection of the Master Architect, and will have further discussions with Lane4 to begin that process.
- **Schedule Stakeholder Meetings** – City staff will work in BRV to establish a schedule of stakeholder meetings which are expected to take place on July and August of 2021.
- **Solicit Input for Stakeholder Meetings** – The parties will discuss how to broadcast the schedule of stakeholder meetings to spread the word about these meetings and seek maximum participation from community participants.
- **Draft Budget** – Lane4 is evaluating the budget format prepared by City staff, and will start proposing various cost items to start filling out a draft budget. The parties will also start discussing an assignment of costs between the public and private sources for the project.
- **Ownership Structure** – City staff will have further discussions with Lane4 regarding the optimum ownership and leasing structure to maximize financing opportunities for the overall project.

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