

	City of Lee's Summit Memorandum	
	To:	Mayor Baird and City Council
	From:	Mark Dunning, Assistant City Manager
	Date:	January 19, 2021
	Re:	Status Report and Update on Downtown Market Plaza Project

This memorandum and the attachments are to provide an update on status of the Downtown Market Plaza Project (the “**Project**”). This is being placed on the January 19, 2021 Council agenda under Staff Roundtable to provide an opportunity to review or discuss this information, if desired by Mayor Baird and the City Council.

Selection process for Master Developer and Manager

A Request for Qualifications (RFQ2021-018) was advertised for Professional Development Services (Master Developer) and Professional Management Services for the Downtown Market Plaza project. A total of 13 submittals were received and a selection committee selected six highly qualified companies to interview for these roles. The selection committee is comprised of four City staff members and three Downtown Community Improvement District members. After conducting the six initial interviews, the selection committee selected the top ranking companies to conduct second round interviews and have further dialogue about the proposed project. After second round interviews, the selection committee is unanimously recommending one company to serve as the master developer and a separate company to serve as the manager. Staff is currently developing a “Development Structure Agreement” which will create the framework for which the master developer and manager will work with the City, Downtown Community Improvement District and other stakeholders to bring the project forward. Until the Development Structure Agreement is negotiated and accepted, the identity of the recommended Master Developer and Manager is not being disclosed.

Staff is striving to have the Development Structure Agreement negotiated and brought forward for Mayor and City Council consideration in March.

Memorandum of Understanding (MOU) with Downtown Community Improvement District (CID)

In addition to the Development Structure Agreement with the Master Developer and Manager, staff is preparing a MOU to create the partnership with the Downtown CID. The MOU will be negotiated with the CID and brought forward to the Mayor and City Council for consideration in March in conjunction with the Development Structure Agreement.

Conceptual Charts for Organizational Structure, Ownership Structure, and Overall Process

City staff continues to focus considerable time reviewing numerous issues that the City is likely to encounter associated with planning for, designing, financing, constructing and operating the Project. Staff initially developed a conceptual organizational structure for the Project, and a conceptual ownership structure for the property in the Project area. We have also developed a proposed process to implement the steps which are necessary to make the Project a reality. After conducting interviews and having further dialogue with the top selected firms, staff has adjusted the initial proposed process to place greater emphasis on programming of these spaces prior to developing a preliminary design. Once the Master Developer and Manager has been engaged, it is possible that through additional collaboration that these conceptual structures and processes will continue to evolve. A summary of each referenced chart is as follows:

Organizational Chart – This chart illustrates our conceptual approach to the overall organizational structure of the Project, for the construction phase and then the operational phase after construction. The conceptual structure envision that the City will partner with a “Developer” that will be responsible for designing, engineering and constructing the Project to City specifications. The conceptual structure calls for the City to form a Downtown Market Plaza Redevelopment Corporation as a single-purpose entity that is controlled by the City and which is responsible for the long-term operations and management of the Project. Under this conceptual structure, the Corporation would enter into a management agreement with a selected “Manager,” which will be responsible for performing all assigned management tasks for the public components of the Project, and serving as the liaison for coordination with private users and Downtown stakeholders.

Ownership Chart – This chart illustrates the conceptual ownership framework for the property in the Project area, and the primary contracts between the primary parties.

Process Chart – This conceptual chart provides a high-level overview of the process that the City and other interested stakeholders could use to plan for, fund, design, engineer, construct and operate the Project. This chart also contains a list of the primary contracts that are expected to be used for implementation. As previously mentioned, staff has revised this process chart to place greater emphasis on programming public spaces prior to establishing preliminary design of the entire project with the thought being the programming envisioned for the space(s) should drive the design elements for such spaces.

Staff will be prepared to discuss this memorandum and the attachments, as desired by Mayor Baird and the City Council, at the January 19, 2021 Council meeting.