

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

DATE: February 27, 2019
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 3:00 p.m. by Chair Donna Gordon.

Board Members Present: Donna Gordon, Chair
Gary Fruits (by phone)
Shelley Kneuvean
Todd Haynes
Mark White

Staff: Mark Dunning, Assistant City Manager
David Bushek, Attorney
Ryan Elam, Development Center Director
Bette Wordelman, Finance Director
Dawn Bell, Project Manager
Jeanne Nixon, Development Center Secretary

Guests: Curt Peterson, Polsinelli Law Firm; Jim Thomas, City Scape
Developers; Jim Prichard, Columbia Capital Management

2. Approval of November 28, 2018 meeting minutes

Mr. White made a motion to approve the minutes for the November 28, 2018 meeting. Mr. Haynes seconded. The motion passed unanimously approving the meeting minutes.

3. Election of Officers (Chair, Vice-Chair, Secretary, Assistant Secretary)

Todd Haynes made a motion to nominate Donna Gordon for the position of Chair, Mark White for Vice-Chair, and Gary Fruits for Secretary. Shelley Kneuvean seconded the motion. The motion was approved by a unanimous vote.

4. Public Hearing for 2nd & Douglas LCRA Development Plan

David Bushek first provided the LCRA members with an overview of how Chapter 100 projects are structured for project financing and the utilization of sales tax exemption on construction materials purchased for the project(s). Mr. Bushek explained that similar to a Chapter 100 structure, the LCRA may be utilized to provide for sales tax exemption on construction materials as is being requested by the applicant through this application. Mr. Bushek explained although utilization of a sales tax exemption would be a new use of the authorities permitted by the statutes governing LCRA, the City has utilized Chapter 100 to achieve the sales tax exemption and utilizing the LCRA in this capacity is a more streamlined and cost effective approach to a same result toward project financing. Utilization of the sales

tax exemption for the downtown apartments through the LCRA would be the first time the LCRA has considered this tool if approved by the City Council. Through this approach, the developer realizes cost savings through the sales tax exemption on construction materials. This will provide the developer with a savings of approximately 2.6% of the total project. The LCRA tool will be in place for about two years. There were three findings for this project: 1) Blight – City Council found this area blighted in 2012. 2) Consistency with the Comprehensive Plan – the Downtown Master Plan recommends density within the downtown core. 3) Necessity – A summary of the findings from Columbia Capital, the City's Financial Advisor was presented and explained by David Bushek. Following Mr. Bushek's presentation, Jim Thomas and Curt Peterson provided an overview of the project and explained the developer's request for the sales tax exemption. Following discussion with the committee members, staff, and the developer Chairperson Gordon closed the public hearing and asked for discussion or a motion.

5. Resolution for 2nd & Douglas LCRA Redevelopment Plan and Recommendation to the City Council

Shelley Kneuvean made a motion to recommend approval of LCRA Resolution No. 2019-01 recommending approval of the 2nd and Douglas LCRA redevelopment plan and take other actions to implement the redevelopment plan. Todd Haynes seconded. The motion passed unanimously.

6. Conflict of Interest Policy (2019 renewal)

Conflict of interest statements were provided for signatures. Gary Fruits requested that his be sent by email.

7. Potential upcoming projects

HT Solutions is moving along. This is a Phase II construction project in the Newberry Landings area.

8. Roundtable

The Bridge Space LCRA project has some aspects that are not complete yet; most of the items are substantially complete. The Certificate of Occupancy starts the clock. Regarding Coleman Equipment, the sewer line has been relocated and an easement was provided.

9. Adjournment

Ms. Gordon made a motion to adjourn the meeting at 4:40 p.m. Ms. Kneuvean seconded the motion. The motion passed unanimously.

Minutes prepared by Jeanne Nixon