

August 26, 2022

Hon. Quinton Lucas  
Mayor, Kansas City, Missouri  
29<sup>th</sup> Floor, City Hall  
414 E. 12<sup>th</sup> Street  
Kansas City, MO 64106

**RE: Notice of Intent to Accept Redevelopment Project Application and Issue Bonds  
in 33<sup>rd</sup> and Montgall Urban Renewal Area**

Dear Mayor Lucas,

Please be advised that the Land Clearance for Redevelopment Authority of Kansas City, Missouri (“LCRA”) issued a Request for Redevelopment Contract Proposals (“RFP”) for the purpose of selecting a qualified redeveloper for a redevelopment project within the 33<sup>rd</sup> and Montgall Urban Renewal Area. LCRA received one response from PG/PGN Owner, LLC (“Redeveloper”), for rehabilitation of two existing affordable, age-restricted apartment buildings known as the Palestine Gardens Apartments and the Palestine Gardens North Apartments and related improvements to preserve 118 low-income and very low-income housing units (“Project”).

The details of the Project are as follows:

**Redeveloper:** PG/PGN Owner, LLC, a Missouri limited liability company, with offices at 3619 E. 35<sup>th</sup> Street, Kansas City, Missouri 64128. Other affiliated entities that may be involved in the Project include PG/PGN, LP, a Missouri limited partnership, Palestine Gardens, a Missouri non-profit corporation, and Palestine Gardens North, Inc., a Missouri non-profit corporation.

**Location:** The project area includes the Palestine Gardens North Apartments located at 3220 Montgall Avenue and the Palestine Gardens Apartments located at 2627 E. 33<sup>rd</sup> Street.

**Project:** The rehabilitation of two existing affordable, age-restricted apartment buildings known as the Palestine Gardens Apartments and the Palestine Gardens North Apartments and related improvements to preserve 118 low-income and very low-income housing units.

**Timeline:** Construction is anticipated to begin in 2022 and be completed in 2024.

**Employment:** An estimated 48 construction jobs are anticipated for construction of the Project and an estimated 4 existing employees will be retained upon completion.

**Financing:** Total project costs are estimated to be approximately \$11 million. Sources of funds include state and federal low-income housing tax credits and a HUD 221(d)(4) permanent loan. LCRA intends to issue bonds to fund construction of the Project.

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**Tax Incentive:** The Redeveloper is requesting issuance of LCRA conduit bonds to fund construction of the Project. Hardwick Law Firm will serve as bond counsel to LCRA and UMB Bank, N.A. will serve as bond trustee. The Redeveloper is not seeking any LCRA tax incentives for the Project as the Project property is currently exempt from real property taxes and is expected to remain exempt from real property taxes after completion. Specific details of the LCRA financing will be set out in agreements to be entered into with the Redeveloper.

By copy to Marilyn Sanders, City Clerk, I am requesting that she note receipt of this correspondence for the official City record and that it be placed on the City Council docket as a communication.

If you have any questions regarding this Project, please contact me.

Very truly yours,



Dan Moye  
Executive Director

cc: Marilyn Sanders, City Clerk  
Brian Platt, City Manager  
City Council