

Truman & Wyandotte Urban Renewal Plan

**LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF
KANSAS CITY, MISSOURI**

PLAN APPROVALS:

06-24 -2015 **LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY**

07- 21 -2015 **CITY PLAN COMMISSION**

07- 22 -2015 **PLANNING, ZONING, AND ECONOMIC DEVELOPMENT COMMITTEE**

07- 23 -2015 **CITY COUNCIL**

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By Ordinance 16120 of November 21, 1952, the City Council of the City of Kansas City authorized and created the Land Clearance for Redevelopment Authority of Kansas City, Missouri under the Land Clearance for Redevelopment Authority Law, Section 99.300 et. seq. R.S. Mo. Section 99.310 of such Law, the Declaration of Policy, states:

"It is hereby found and declared that there exists in municipalities of the state insanitary, blighted, deteriorated and deteriorating areas which constitute a serious and growing menace injurious to the public health, safety, morals and welfare of the residents of the state; that the existence of these areas contributes substantially and increasingly to the spread of disease and crime, necessitating excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, punishment and the treatment of juvenile delinquency and for the maintenance of adequate police, fire and accident protection and other public services and facilities, constitutes an economic and social liability, substantially impairs or arrests the sound growth of communities and retards the provisions of housing accommodations; that this menace is beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operation of private enterprise without the aids herein provided; that the elimination or prevention of the detrimental conditions in such areas, the acquisition and preparation of land in or necessary to the development, renewal or rehabilitation of such areas and its sale of lease for development, renewal or rehabilitation in accordance with general plans and redevelopment or urban renewal plans of communities and any assistance which may be given by any public body in connection therewith are public uses and purposes for which public money may be expended and private property acquired; and that the necessity in the public interest for the legislative determination; and that certain insanitary, blighted, deteriorated or deteriorating areas, or portions thereof, since the prevailing condition of or decay may make impractical the reclamation of the area by conservation or rehabilitation, but other areas or portions thereof, through the means provided in this law may be susceptible to conservation or rehabilitation in such manner that the conditions and evils herein before enumerated may be eliminated, remedied or prevented, and to the extent feasible, conserved and rehabilitated by the voluntary action and the regulatory process. A municipality, to the greatest extent that it determines to be feasible in carrying out the provisions of this law, shall afford maximum opportunity, consistent with the sound needs of the municipality as a whole, to the redevelopment or rehabilitation or renewal of areas by private enterprise."

**TRUMAN & WYANDOTTE
URBAN RENEWAL PLAN
OF
KANSAS CITY, JACKSON COUNTY, MISSOURI**

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- Exhibit B - “Current Land Use”
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- Exhibit G- “Land Clearance for Redevelopment Authority’s Resolution of Approval for Plan and Blight Study”
- Exhibit H – Preliminary Project Plans

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TRUMAN & WYANDOTTE URBAN RENEWAL PLAN

EXECUTIVE SUMMARY

PROPONENTS	KC Hotel Developers, LLC
LOCATION	The Plan Area is generally bound by Truman Road on the north, Baltimore Avenue on the east, W. 16 th Street on the south, and Wyandotte Street on the west, in the north western portion of the Crossroads neighborhood.
AREA PLAN	Greater Downtown Area Plan
COUNCIL DISTRICT	4 th District–Councilman Jim Glover 4 th District–Councilwoman Jan Marcason
PROJECT	The intent of the Truman & Wyandotte Urban Renewal Plan is to stimulate private reinvestment in the development of a convention hotel within the Crossroads neighborhood of the Greater Downtown area of Kansas City.
OBJECTIVES	Adoption of the Truman & Wyandotte Urban Renewal Area Plan will: <ul style="list-style-type: none">• Stimulate and facilitate private investment in development of an approximately 800 – room convention hotel with meeting space and off-street parking.
LCRA ASSISTANCE	Assistance anticipated by the Proponent includes: <ul style="list-style-type: none">• Sale/Leaseback;• Real Property Tax Abatement;• Bond Financing;• Personal Property Tax Exemption; and• Sales Tax Exemption .
BLIGHT STUDY	On behalf of the Proponents, APD Urban Planning & Management documented physical conditions in the Plan Area that constituted blighted or insanitary conditions.

Truman & Wyandotte Urban Renewal Plan

I. DESCRIPTION OF THE PROJECT

This Plan Summary, statement of State, City and Agency Policy implemented by this Plan, and all exhibits hereto, taken together, shall constitute the Truman & Wyandotte Urban Renewal Plan (the “Plan”) for the Truman & Wyandotte Urban Renewal Area.

The Plan area encompasses 2.8 acres and is located within the Greater Downtown Area Plan prepared by the Planning and Development Department of the City of Kansas City, Missouri (the “City”). The Greater Downtown Area Plan (adopted March 11, 2010 by Committee Substitute Resolution No. 100049 and as subsequently amended) recommends Downtown Mixed-Use within the Plan Area in the Crossroads neighborhood; however, a land use amendment to change the Plan Area from Downtown Mixed-Use to Downtown Core is currently pending City Council approval at the time of preparation of this Plan.

The Truman & Wyandotte Urban Renewal Area is located within the northcentral portion of Kansas City’s Crossroads neighborhood, directly adjacent to I-670, convenient to I-35, I-70 and 71 Highway, and only one block west of the downtown streetcar line on Main Street.

Kansas City has had considerable success in attracting and retaining a number of medium and large conventions and meetings using a “patchwork quilt” of hotels throughout the metropolitan area. This has proven to be a significant logistical challenge for meeting and event planners. During the past fifteen years or so, Kansas City has lost several large conventions and meetings that had been annual staples on the city’s convention and meetings calendar, as well as having been unable to compete successfully for several new large conventions and meetings, due to the lack of a large, convention headquarters hotel.

The Plan's proponent has proposed an approximately \$300 Million redevelopment of the Truman & Wyandotte Plan Area to create an approximately 800-room convention headquarters hotel with meeting space and off-street parking. The development of a convention headquarters hotel is intended to better position Kansas City competitively for large conventions and meetings. See Exhibit H for additional information regarding the proposed project; please note that final design plans, site plan and other project specifics had not yet been developed at the time of preparation of this Plan.

The Plan's proponents believe that this proposed project is well-positioned to help attract new conventions and meetings to Kansas City because of the number of hotel rooms to be developed in the convention hotel, its convenient location across Wyandotte Street from the Grand Ballroom and Bartle Hall, and the proximity and easy access to the Kauffman Performing Arts Center, Power & Light District, Sprint Arena and the Crossroads district.

In furtherance of this Plan, the City of Kansas City intends to transfer its property located within the Plan Area to the Land Clearance for Redevelopment Authority (the "Authority") for its use in the proposed convention headquarters hotel project.

The Plan's proponents and the City of Kansas City believe that assistance from the Land Clearance for Redevelopment Authority (the "Authority"), consisting of a sale/leaseback, property tax abatement, personal property tax exemption, and sales tax exemption, will present opportunities to redevelop the underutilized Truman & Wyandotte Plan Area as a convention hotel, meeting space and off-street parking.

The LCRA has considered and determined that the development, land use, and building requirements proposed by the Plan for the Truman & Wyandotte Urban Renewal Area is designed with the general public purpose, to accomplish, in harmony or conformance with the Area Plan and the FOCUS Kansas City Plan, the City's adopted comprehensive master plan, a coordinated, adjusted and harmonious

development of the community and of its environs. The LCRA has further considered and determined that such development will promote the health, safety, morals, order, convenience, prosperity and the general welfare of the community, in addition to efficiency and economy in the development process. The LCRA has further considered and determined that the proposed redevelopment and revitalization activities, which will be in conformance with all existing zoning and building codes, will make adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic and other dangers, adequate provision for light and air, the promotion of healthful and convenient population distribution, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities and other requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, the prevention of the recurrence of insanitary and unsafe dwelling accommodations or insanitary areas or conditions of blight or deterioration, and the provision of adequate, safe and sanitary dwelling accommodations.

Location

The Plan is located within the 4th Council District of the City of Kansas City, Missouri in the northwestern portion of the Crossroads neighborhood. Refer to Exhibit A-1 for a map of the Plan Area, Exhibit A-2 for the legal description of the Plan Area.

Conformance to the Comprehensive Plan

The Plan is located within Greater Downtown Area Plan prepared by the City Planning and Development Department of the City of Kansas City, Missouri (the "City"). The Greater Downtown Area Plan covers all parcels associated with the Truman & Wyandotte Urban Renewal Plan. At the time of preparation of this Plan, the Greater Downtown Area Plan identifies the specific parcels within the Plan Area as Downtown Mixed-Use; however, a land use amendment to change the Plan Area by removing the height restrictions and modifying the FAR within this specific block was recently approved by City Council approval during the time of preparation of

this Plan. It will not, therefore, be necessary to modify the land uses cited in the Greater Downtown Area Plan for this Urban Renewal Plan to be in conformance with the Greater Downtown Area Plan. Refer to Exhibit B for a map of the current land uses. Refer to Exhibit C for a map of the proposed land uses for the Truman & Wyandotte Urban Renewal Plan.

The Plan conforms to the FOCUS Kansas City Plan; the City's adopted comprehensive master plan, as it will specifically promote the following objectives:

Reaffirm and Revitalize the Urban Core

- The Urban Renewal Area is located within the East-Central Core Urbanized Zone Development Priority Zone identified in FOCUS.
- Implement Urban Design Guidelines.
- Reinforce and build upon existing City investments.

Utilities and Infrastructure

- Encourage development where public facilities (water, sewer, streets) already exist.

II. FINDINGS

According to section 99.320(3) R.S.Mo of Missouri's Land Clearance for Redevelopment Statute, a "blighted area" and "insanitary area" are defined as follows:

Blighted Area: *An area which by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; and,*

Insanitary: *An area in which there is a predominance of buildings and improvements which by reason of dilapidation, age or obsolescence, inadequate provision for ventilation, light, air, sanitation or open spaces, high density of population and overcrowding of buildings, overcrowding of land, or the existence of conditions which endanger life or property by fire and other causes, or any delinquency and crime or constitutes an economic or social liability and is detrimental to the public health, safety, welfare.*

On behalf of the LCRA, APD Urban Planning & Management, Inc., conducted a blight study of the Plan Area in June of 2015. The following excerpt is from their blight study report:

All of the components of the Chapter 99 definitions were present in the proposed Kansas City Convention Center Headquarters Hotel Redevelopment Area. Although some elements of the Study area are in adequate or sound condition, deterioration of site improvements, noncompliance with the Americans with Disabilities Act, and the presence of unsafe conditions related to the stabilization of the rock/stone could lead the legislative body to a finding that the proposed redevelopment area is blighted.

The dominant blighting factors in the proposed redevelopment area include 1) the presence of unsafe or unsanitary conditions, including the presence of overgrown vegetation and noncompliance with ADA codes; 2) poor internal circulation and an unsafe design related to the large surface parking lot located on the eastern half of the Study Area; and 3) deterioration of site improvements, including surface parking lots and the stone/rock and retaining walls that exist on the northern edge of 1501 Wyandotte Street and the western edge of 1514 Baltimore Avenue. These factors result in unsafe conditions in the proposed redevelopment area and impair the value of the property.

Therefore, the consultant has determined that the proposed Kansas City Convention Center Headquarters Hotel Redevelopment Area of Kansas City, Missouri, as of June 8, 2015, is a “blighted area” ... and constitutes an economic liability in its present condition and use.

Therefore, the Authority has determined that the proposed Truman & Wyandotte Urban Renewal Area of Kansas City, Missouri, as of June 2015, is a “blighted area” according to the definition provided in Missouri’s Land Clearance for Redevelopment Law in the Missouri Revised Statutes (RSMo. Ch. 99) and is a menace to the health, safety, morals, and welfare of the city. The LCRA finds the Urban Renewal Area to be blighted in accordance with the section 99.320(3) R.S.Mo of Missouri’s Land Clearance for Redevelopment Statute. See Exhibit G for the LCRA’s Finding of Blight.

III. STATEMENT OF DEVELOPMENT OBJECTIVES

Local objectives to be achieved through the implementation of this Urban Renewal Plan include the creation of a physical character and environment meeting desirable planning standards and the provision of controlled and orderly development in conformance with the recommended land use map and building and zoning codes of Kansas City, Missouri.

Development objectives to be met through the adoption of this Urban Renewal Plan include the following items:

- To eliminate the adverse conditions which qualify the redevelopment project area as a blighted area and an insanitary area, within the meaning of the Land Clearance for Redevelopment Authority Law, and to prevent the recurrence of these conditions which constitute an economic and social liability, have impaired the provision of orderly residential development, and which impair the tax base and general welfare of the community.
- To enhance the tax base of the municipality and the other public taxing districts by developing the area to its highest and best use and encouraging private investment in the surrounding areas, thereby increasing tax revenues and corresponding public service to the community.
- To provide, in harmony with the general plan for the community, a coordinated, adjusted and harmonious development of the community and its environs.
- To promote the health, safety, order, convenience, prosperity and the general welfare of the community, as well as efficiency and economy in the process of development and the use of standards and controls which will ensure the sound development of the area.

The specific development objectives to be achieved through the implementation of this Urban Renewal Plan include the following major items:

- To facilitate the development of an 800-room convention headquarters hotel with meeting facilities in close proximity to Bartle Hall and the Grand Ballroom.
- To support development of an off-street parking facility to support the convention headquarters hotel.
- To facilitate the equipping and furnishing of the convention headquarters hotel and related facilities.

IV. LAND USE PLAN

A. Current Land Use Plan

The Plan Area lies within the Greater Downtown Area Plan. The current land use for the specific parcels within the Plan area is Downtown Mixed-Use; however, a land use amendment to change the area within the Plan Area by removing the height restrictions and modifying the FAR within this specific block was approved by the City Council during the time of preparation of this Plan. For a depiction of these current land uses, see Exhibit B – Current Land Use.

B. Proposed Land Use Plan

The Greater Downtown Area Plan identifies use for the specific parcel within the Plan area is Downtown Mixed-Use; however, a land use amendment to change the area within the Plan Area by removing the height restrictions and modifying the FAR within this specific block was approved by the City Council during the time of preparation of this Plan. It will not be necessary to amend the Greater Downtown Area Plan to reflect the convention hotel use. See Exhibit C – Proposed Land Use.

C. Design Objectives and Controls

Overall design objectives are hereby established in order to achieve sound and attractive development within the Truman & Wyandotte Urban Renewal Area. All sites and building designs for redevelopment parcels to be assisted by the Authority will be subject to the LCRA “Design Review Process”, described in Appendix 1.

1. Building Design Objectives

Building materials and color schemes shall be complementary to (as much as possible) those used on adjacent buildings within adjacent block(s). Buildings shall be designed to avoid creation of unarticulated, blank facades and to create architectural style and proportion sympathetic or complementary to existing structures so that new construction is an integral element of overall site design. While major changes in building scale shall be avoided whenever possible, some diversity of building scales should also be encouraged.

2. Parking Design & Site Improvements Objectives

All off-street parking areas for commercial uses and site improvements to be improved as part of a redevelopment project assisted by the Authority shall conform with Chapter 52 or Chapter 88 of the City of Kansas City’s Code of Ordinances. Redevelopers shall maintain parking facilities and site improvements in an acceptable manner (weed- and litter-free, plantings trimmed and maintained, all

required lighting is operable, pavement cracks and defects are sealed or corrected, etc.) in conformance with the Plan.

3. Signage

Within the Truman & Wyandotte Urban Renewal Area, in exchange for tax abatement on any tracts owned by the owner or leaseholder of a freestanding outdoor advertising sign, the developer agrees to remove freestanding outdoor advertising signs prior to the approval of any property tax abatement by the Authority.

4. Street, pedestrian walkways and open space objectives

Each redevelopment proposal will, if required by the Development Services or the Department of Parks and Recreation, include provision of Authority-approved streetscape improvements. Such improvements may include sidewalks, street trees (or other approved plantings) with adequate drainage and grates, and well maintained curbs.

5. General maintenance:

General maintenance shall be required of all redevelopment parcels assisted by the Authority and shall include consistent upkeep and repair, removal of debris and litter, trimming of landscape materials, and weed removal. Structures damaged by fire must be repaired, or if repair is deemed infeasible, such structure shall be removed within 60 days of such calamity.

6. Zoning

The Plan Area is currently zoned UR. See Exhibit D- "Current Zoning" for details. See Exhibit E - "Proposed Zoning," which shows the existing UR zoning designation.

V. URBAN RENEWAL TECHNIQUES TO BE USED TO ACHIEVE PLAN OBJECTIVES

With respect to implementation of the Truman & Wyandotte Urban Renewal Plan, the following urban renewal techniques will be used to ensure positive economic and community development:

A. Financial Assistance

The LCRA may provide tax abatement or other forms of development assistance, such as sale/leaseback, bond financing,

personal property tax exemption, and/or sales tax exemption, within the Area to projects, proposed by residents, organizations or business entities that are in conformance with this Plan. No property will receive abatement or other incentives unless the applicant(s) demonstrates that: 1) all property taxes have been paid for all of the properties owned by or under the control of the applicant(s) and 2) that there are no unresolved code violations on any property located within the City of Kansas City, Missouri that is owned or controlled by the applicant, unless, however, the applicant's proposed project within the Area shall correct or remediate any code violation at the property within the Plan area for which the applicant has been cited within the ninety (90) days prior to the submittal date of a Redevelopment Project Application. All commercial, industrial, retail, mixed-use, office, multi-family and/or institutional redevelopment projects seeking assistance from the LCRA will follow the Authority's Workable Program. The projects will be evaluated to determine if public assistance is necessary to fulfill the objectives of the Plan.

B. Eminent Domain

Under the provisions of Section 99.420(4) R.S.Mo., the Authority is granted the power of eminent domain for the purposes of assisting in the implementation of approved redevelopment projects and/or the eradication of blight or insanitary conditions. The Authority does not believe that it will be necessary to exercise its power of eminent domain within the Truman & Wyandotte Urban Renewal Area to further the purposes and intent of the Plan in response to redevelopment project applications or in an effort to eradicate blight or insanitary conditions, but reserves the right to utilize its statutory power should it determine it is necessary to do so. The Authority shall consider any such request to exercise its

power of eminent domain as a major modification of the Plan and shall, therefore, seek the approval of the City Council prior to exercising its power of eminent domain in furtherance of the Plan.

C. Project Plan/Design and Financing Review/Developer's Obligations

Prior to the approval of a Project, the LCRA will submit a copy of the proposal to the Director of City Development and the Director of Finance for their review regarding the proposal's compliance with the City's adopted plans and design guidelines in this plan.

VI. Workable Program

A. Workable Program and Rules for Implementation (Background).

1. On October 4, 2000, pursuant to Section 99.420(5) of the LCRA Law, the Authority adopted, as amended from time to time, The Workable Program of Land Clearance for Redevelopment Authority of Kansas City, Missouri ("Workable Program"), and the Rules for the Implementation of The Workable Program of Land Clearance for Redevelopment Authority of Kansas City, Missouri ("Rules for Implementation"), as a basis upon which to judge future Urban Renewal Plans and any proposed amendments to existing Urban Renewal Plans.
2. Sections 99.320(20) and (21) of the LCRA Law requires that Urban Renewal Plans adopted by the Authority and the City Council comply with the Workable Program.

B. Impact of the Workable Program on Applications for Benefits under this Urban Renewal Plan.

1. The Authority shall not grant to any person ("Applicant") any of the benefits ("LCRA Benefits") the Authority has the power to grant under the LCRA Law unless the Authority shall have first determined whether the project proposed by the Applicant ("Project"), for which the Applicant has applied to the Authority for LCRA Benefits, would not be economically viable without the granting of the LCRA Benefits sought by the Applicant.

C. Each Applicant shall submit an application ("Application") that shall include a Project budget and sufficient financial information to enable the

Authority to determine whether the Project would not be economically viable without the granting of the LCRA Benefits sought by the Applicant. Each Application shall include such other information as required by the Workable Program and the Rules for Implementation.

D. Monitoring Urban Renewal Projects under this Urban Renewal Plan.

1. During the life of any LCRA benefits granted by the Authority to an Applicant, the Authority shall monitor the Project to assure that the City realizes the benefits to its tax and employment bases and physical improvements (“Public Benefits”) of the Project promised by the Applicant when the LCRA Benefits were granted.
2. In the event the City does not, in the opinion of the Authority, realize the Public Benefits, then the Applicant shall be obligated to pay to the Authority a sum (“Liquidated Public Benefit”) equal to the value of the LCRA Benefits, which were realized by the recipient of those benefits.
3. If the Applicant shall demonstrate to the satisfaction of the Authority that the Public Benefits have not been realized due to unforeseen economic events, then the Authority may waive repayment of the Liquidated Public Benefit.

VII. PROPOSED FINANCING PLAN

The proponents of this Plan have estimated the Total Project Costs for the proposed convention center hotel project to be approximately \$300,000,000.

In conformance with Chap. 99.430(7) R.S.Mo., it is anticipated that both public and private funding sources, including traditional debt financing and cash equity, will be used to help finance redevelopment projects within the Truman & Wyandotte Urban Renewal Area.

IX. RELOCATION

The Land Clearance for Redevelopment Authority, by Resolution 85-25, has a Standardized Relocation Policy (Appendix 2) to be adhered to should relocation be necessary.

X. AFFIRMATIVE ACTION PLAN

The Land Clearance for Redevelopment Authority has developed an affirmative action process (Appendix 3) which requires that developers and project contractors submit individual affirmative action plans. All projects approved by LCRA are subject to applicable federal, state and/or City affirmative action regulations, requirements, guidelines and procedures.

XI. DURATION OF CONTROLS

The Truman & Wyandotte Urban Renewal Plan shall be effective for a period of thirty-five (35) years from the date of passage of the approving ordinance

XII. PROVISION FOR AMENDING PLAN

This Plan may be modified by the Authority, provided that when the proposed modification will substantially change the development of the urban renewal plan as previously approved by the City of Kansas City, Missouri, it must similarly be approved by the City Council.

Exhibit A-1
Map of Plan Area

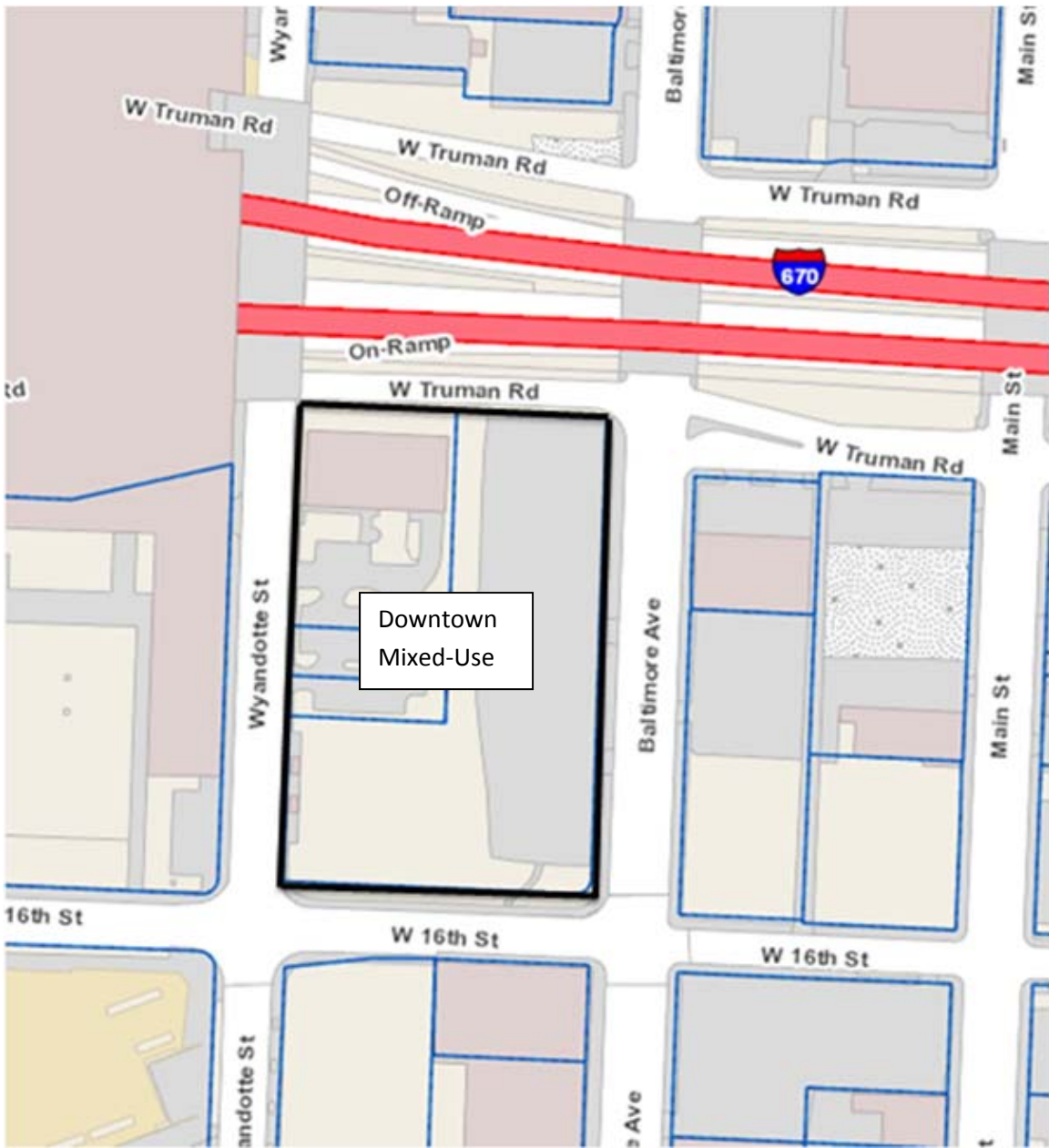


Truman & Wyandotte Urban Renewal Plan

Exhibit A - 2
Legal Description

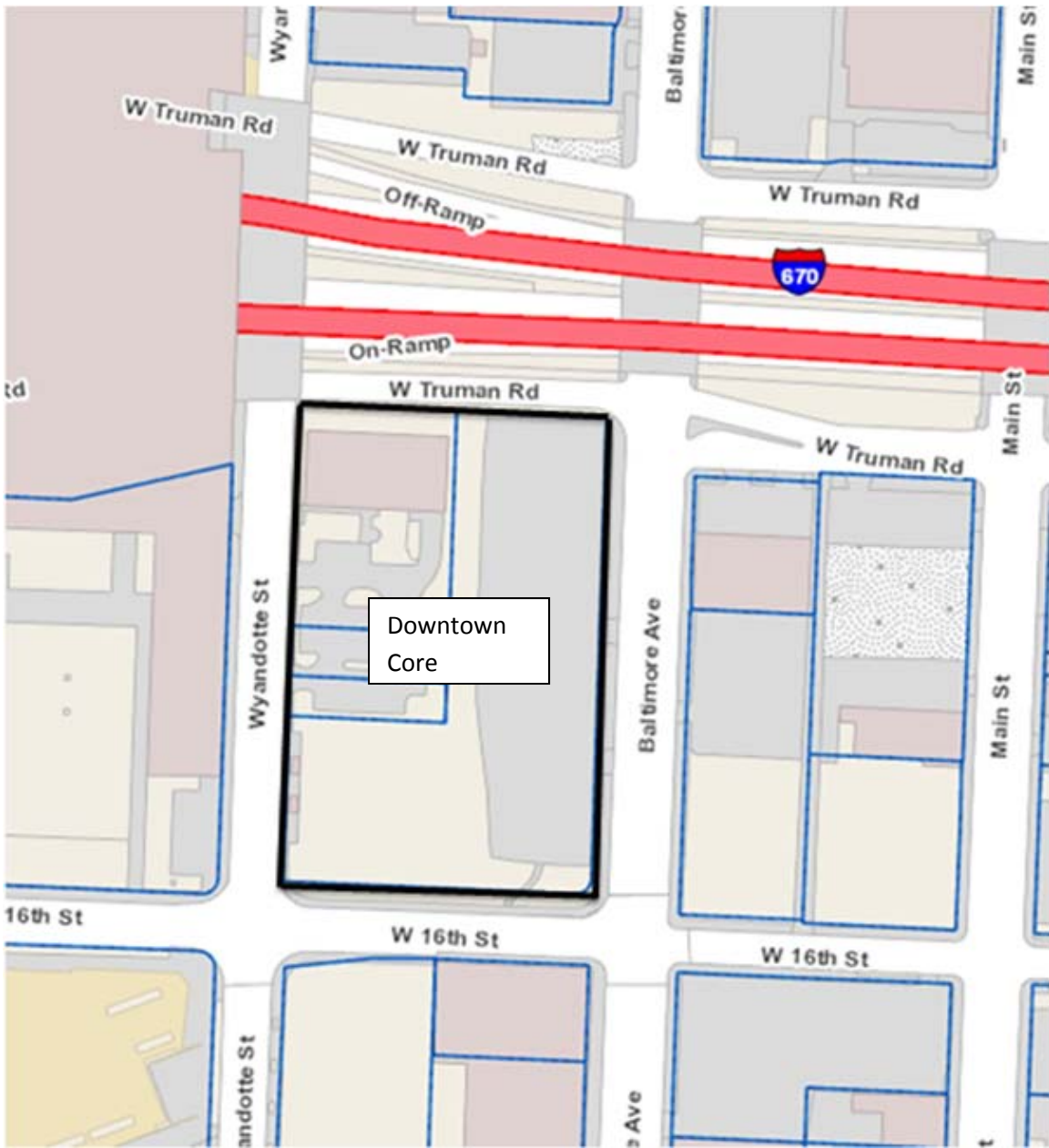
Beginning at the point of intersection of the centerline of Wyandotte Street and the centerline of W. Truman Road, thence easterly along said centerline of W. Truman Road to its point of intersection with the centerline of Baltimore Street; thence southerly along said centerline of Baltimore Street to its point of intersection with the centerline of W. 16th Street; thence westerly along said centerline of W. 16th Street to its point of intersection with the centerline of Wyandotte Street; thence northerly along said centerline of Wyandotte Street to its point of intersection with the centerline of W. Truman Road, said point being the point of beginning, all lying situate within the City of Kansas City, Jackson County, Missouri.

Exhibit B – Current Land Use



Truman & Wyandotte Urban Renewal Plan

Exhibit C - Proposed Land Use



Truman & Wyandotte Urban Renewal Plan

Exhibit D - Current Zoning



Truman & Wyandotte Urban Renewal Plan

Exhibit E - Proposed Zoning



Truman & Wyandotte Urban Renewal Plan

Exhibit F

Blight Study

Exhibit G

**(The LCRA's Resolution making a finding of blight and approving the Urban
Renewal Plan will be provided following its adoption.)**

Exhibit H
Preliminary Project Plans

**Kansas City Convention Center Headquarters Hotel
Redevelopment Area**

Blight Study

Economic Development Corporation of Kansas City, Missouri
Kansas City, Missouri
June 8, 2015

Kansas City Convention Center Headquarters Hotel Redevelopment Area

Blight Study

Economic Development Corporation of Kansas City, Missouri
Kansas City, Missouri
June 8, 2015

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Section I

Introduction

The following report, the Kansas City Convention Center Headquarters Hotel Redevelopment Area Blight Study, was completed in June 2015. The proposed redevelopment area is located in Kansas City, Jackson County, Missouri and includes four property parcels located at 1514 Baltimore, 1521 Wyandotte, 1517 Wyandotte and 1501 Wyandotte in Downtown Kansas City. West Truman Road borders the redevelopment area on the north, Baltimore Avenue on the east, West 16th Street on the south, and Wyandotte Street on the west.

The purpose of this analysis is to determine if the proposed Kansas City Convention Center Headquarters Hotel Redevelopment Area (the "Study Area") in Kansas City, Missouri evidences "blight" as defined in the Real Property Tax Increment Allocation Redevelopment Act – Sections 99.800 to 99.865 R.S.Mo. (the "TIF Act"), and if the Study Area does not evidence blight, determine if the Study Area qualifies as a "conservation area" or "economic development area" as defined by the Act. The purpose of the analysis is to also determine if the Study Area evidences blight as defined in the Land Clearance for Redevelopment Law – Sections 99.300 to 99.660 R.S.Mo. (the "LCRA Law"), and as defined in the Community Improvement District Act – Sections 67.1571 R.S.Mo. (the "CID Act").

The consultant visited the proposed redevelopment area several times in June 2015. The effective date of this study is June 8, 2015, the last date of inspection.

The proposed redevelopment area encompasses four tax parcels and approximately 2.8 acres of fee simple property. The proposed redevelopment area does not include any public or private right-of-way.

Definitions

Tax Increment Financing

Tax Increment Financing ("TIF") is a financing/development tool that allows for new increments of tax revenues resulting from a specified redevelopment above past taxes on the property (payments in lieu of taxes, or "PILOTS") to be used to pay for approved project-related costs, infrastructure and capital improvements. Projects using TIF must have plans approved by both the Tax Increment Financing Commission ("TIFC") and the City of Kansas City, Missouri City Council. Missouri Statute requires that TIF projects be only redevelopment projects which would not reasonably be expected to develop without the assistance of TIF (often referred to as "but for").

In order for the TIFC to implement a tax increment financing plan pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Missouri Revised Statutes, Section 99.800 et seq., 1982, as amended (the "Act"), the City Council of Kansas City, Missouri must determine by ordinance that the redevelopment area described by the TIF Plan qualifies under the Act as: 1) a blighted area; 2) a conservation area; or 3) an economic development area; and that such redevelopment area has not been subject to growth and development through investment by

private enterprise and would not reasonably be anticipated to be developed without the adoption of the TIF Plan.

RSMo. 99.805 provides the following definitions for a blighted area, conservation area, or economic area:

“Blighted area”, an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; (RSMo. Ch. 99.805(1)).

“Conservation area”, any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning. A conservation area shall meet at least three of the factors provided in this subdivision for projects approved on or after December 23, 1997; (RSMo. Ch. 99.805(3)).

“Economic development area”, any area or portion of an area located within the territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and (3) of this section, and in which the governing body of the municipality finds that redevelopment will not be solely used for development of commercial businesses which unfairly compete in the local economy and is in the public interest because it will:

- (a) Discourage commerce, industry or manufacturing from moving their operations to another state; or*
- (b) Result in increased employment in the municipality; or*
- (c) Result in preservation or enhancement of the tax base of the municipality; (RSMo. Ch. 99.805(5)).*

Land Clearance for Redevelopment Authority

Chapter 99.300 of the Missouri Revised Statutes entitled “Land Clearance for Redevelopment Law” allows for the creation of the “Land Clearance for Redevelopment Authority” within a municipality and empowers the authority to submit redevelopment plans to the city. However, “an authority shall not prepare a redevelopment or an urban renewal plan for a land clearance or urban renewal project area unless the governing body of the community in which the area is located has declared, by resolution or ordinance, the area to be a blighted, or insanitary area in need of redevelopment or in need of rehabilitation” (RSMo. Ch. 99.430(2)).

Redevelopment and investment within the proposed Redevelopment Area may be accomplished through the implementation of an urban renewal process, specifically under Chapter 99 of the Missouri Revised Statutes through the City's Land Clearance for Redevelopment Authority. The first step in this process is to determine if the proposed Redevelopment Area qualifies as a "blighted area" or "insanitary area" eligible for urban renewal. The determination that an area constitutes a blighted area or insanitary area is a conclusion attributable to the presence of one or more physical, environmental, and social factors. For purposes of the study, the definition of a blighted area is premised upon the definition articulated in Chapter 99 of the Missouri Revised Statutes (RSMo. 99.320), as follows:

"Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

Per Chapter 99 of the Missouri Revised Statutes (RSMo. 99.320), the definition of insanitary area is as follows:

"Insanitary area", an area in which there is a predominance of buildings and improvements which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air sanitation or open spaces, high density of population and overcrowding of buildings, overcrowding of land, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare.

Community Improvement District

Chapter 67 of the Missouri Revised Statutes, entitled "Political Subdivisions, Miscellaneous Powers", under Sections 67.1401 to 67.1571, entitled the Community Improvement District Act, allows for the establishment of a Community Improvement District ("CID"). A CID is either a political subdivision or a nonprofit corporation, and is a separate legal entity distinct and apart from the municipality or county that creates the district. The CID consists of the area in which the improvements are to be constructed or services are to be provided and is created by petition circulated within the proposed district.

CIDs are established for the purpose of financing a wide range of public-use facilities and establishing and managing policies and public services relative to the needs of the CID. CIDs can impose special assessments, real property taxes, sales taxes, and fees. CIDs can also be combined with other funding methods to pay for additional services and improvements.

If a CID is located in a blighted area, it has additional powers and may expend its revenues or loan funds to correct blighted conditions on private property within the CID.

The CID Act states the following with regard to the additional powers conferred upon a CID located in a blighted area:

2. Each district which is located in a blighted area or which includes a blighted area shall have the following additional powers:
 - (1) Within its blighted area, to contract with any private property owner to demolish and remove, renovate, reconstruct, or rehabilitate any building or structure owned by such private property owner; and
 - (2) To expend its revenues or loan its revenues pursuant to a contract entered into pursuant to this subsection, provided that the governing body of the municipality has determined that the action to be taken pursuant to such contract is reasonably anticipated to remediate the blighting conditions and will serve a public purpose. (67.1461.2, RSMo.)

The Act provides the following definition for a blighted area:

“Blighted area”, an area which:

- (a) *By reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use; or*
- (b) *Has been declared blighted or found to be a blighted area pursuant to Missouri law including, but not limited to, chapter 353, sections 99.800 to 99.865, or sections 99.300 to 99.715. (67.1401, RSMo.)*

Since these definitions are a general overview pertaining to all sites, it is important to clarify their intention as it applies to the proposed redevelopment area. According to state law, it is unnecessary for every condition of blight to be present in order to be eligible as a redevelopment area. Rather, an area can be qualified as a blighted area when as few as one or more conditions are present. The conditions need not be present in each parcel, but must be found in the study area as a whole. With this understanding, the Blight Study presents an overview of factors within the Study Area including a review of physical conditions sufficient to make a determination of a blighted area. The “Summary of Findings” provides conclusions regarding the analysis and presence of blight in key areas; however, the Kansas City, Missouri City Council will make a final determination of a blighted area for the entire study area based on the extent to which conditions constitute a liability for the Study Area.

It should be noted that the definition of blight as cited for each of the statutory redevelopment programs is identical. All references to blight and blighting conditions, analyses and conclusions in this study shall apply to each of the statutory programs cited above.

Study Methodology

The Blight Study includes a detailed analysis of site, building, and public improvement deterioration. Qualifying blight conditions throughout the study area were identified and analyzed on a parcel-by-parcel basis to produce a chart demonstrating blighting conditions present in the Study Area.

Field investigations were conducted to document physical conditions within the categories of blight set out in the state statute. Pertinent Geographic Information Systems (GIS) data was obtained through the City and Jackson County and analyzed. Additional supplemental and updated information was obtained through various reports and studies prepared or commissioned by the City and other public entities.

Previous Blight Determinations

The proposed Redevelopment Area is included in previously approved redevelopment plans, in whole or in part. All of the Study Area is included in the Crossroads Arts General Development Plan (PIEA) and the Performing Arts General Development Plan (PIEA). The western half of the Study Area was included in an earlier General Development Plan (PIEA) that was found to be blighted by the City Council by adoption of Ordinance No. 53137 on August 18, 1981.

Each of the properties contained within the Study Area have been a part of previously approved redevelopment plans and each was found to have been blighted by the City Council of Kansas City, Missouri.

Adjoining Areas

The Study Area is adjacent to or in close proximity to the following incentive areas (located within approximately one-quarter mile of the Study Area), all of which were approved by the City of Kansas City with a finding of blight:

- 1) CBD Urban Renewal Area (LCRA);
- 2) Americana Hotel Tax Increment Financing Plan;
- 3) Gailoyd Tax Increment Financing Plan;
- 4) Galleria One KC Place Redevelopment Plan (Chapter 353);
- 5) Chambers Lofts Redevelopment Plan (Chapter 353);
- 6) Downtown Loop Area Expansion General Development Plan (PIEA);
- 7) Galleria Block 111 Redevelopment Plan (Chapter 353);
- 8) Grand Avenue Office Campus Urban Renewal Area (LCRA);
- 9) 1200 Main/South Loop Tax Increment Financing Plan;
- 10) Grand Avenue McGee Urban Renewal Area (LCRA);
- 11) Oak Street Redevelopment Plan (Chapter 353);
- 12) Walnut Redevelopment Redevelopment Plan (Chapter 353);
- 13) 16th & Walnut Redevelopment Plan (Chapter 353);
- 14) Mainmark Building Urban Renewal Area (LCRA);

- 15) Crossroads General Development Plan (PIEA);
- 16) W 17th Street Tax Increment Financing Plan;
- 17) Film Row General Development Plan (PIEA);
- 18) 19th Terrace & Central Tax Increment Financing Plan;
- 19) Crossroads Arts General Development Plan (PIEA);
- 20) Performing Arts General Development Plan (PIEA);
- 21) Performing Arts Center Tax Increment Financing Plan;
- 22) 13th & Washington Tax Increment Financing Plan; and
- 23) Crossroads Planning General Development Plan (PIEA).

The following incentive areas (located within approximately one-quarter mile of the Study Area) were approved by the City of Kansas City with a finding of conservation area:

- 1) 12th & Wyandotte Hotel Tax Increment Financing Plan; and
- 2) 11th Street Corridor Tax Increment Financing Plan.

Legal Description

The proposed redevelopment area consists of four property parcels. Specific legal descriptions of all parcels within the proposed redevelopment area are included in Appendix A – Property Ownership & Legal Descriptions.

Ownership

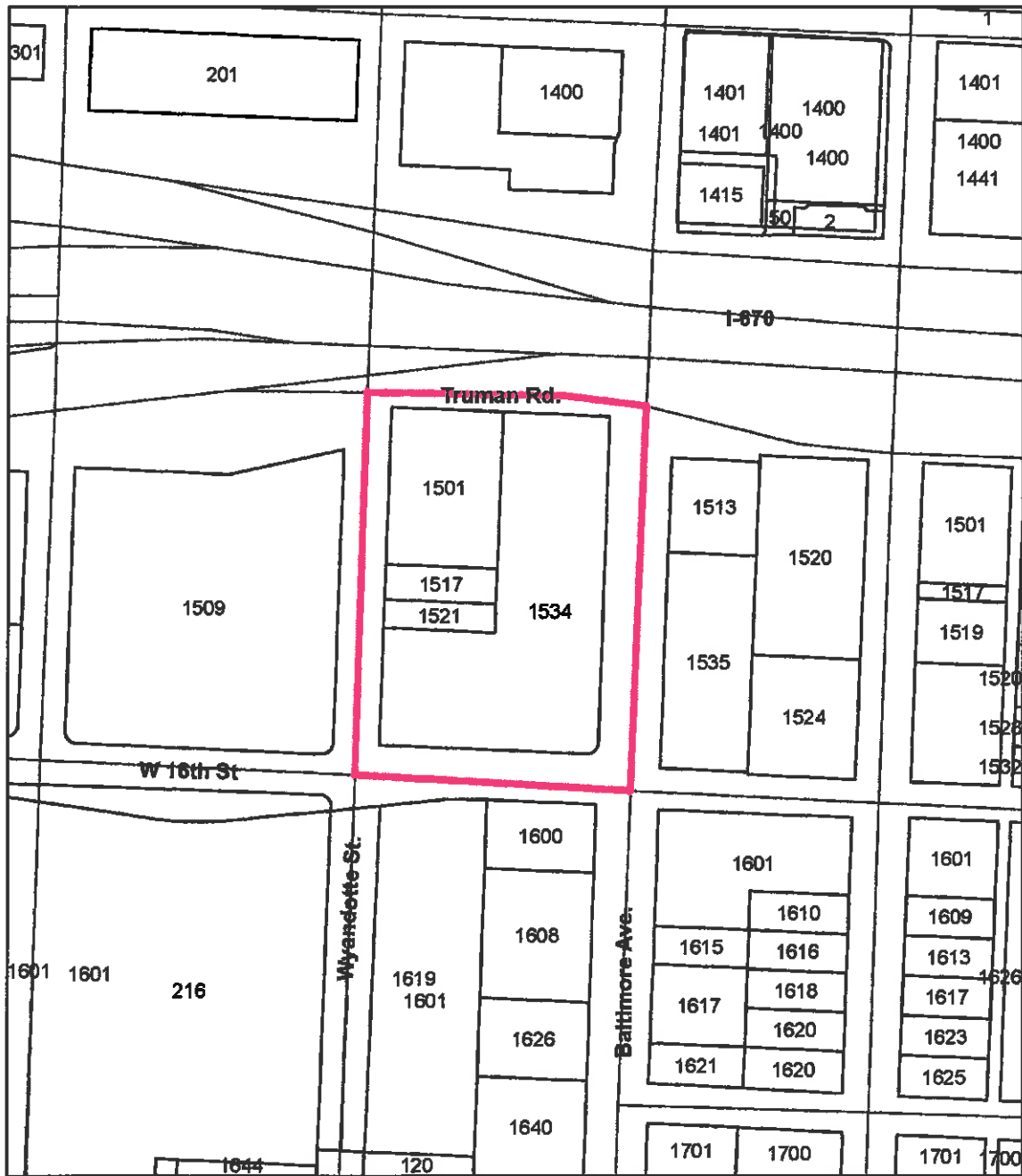
The proposed redevelopment area contains four property parcels. All of the parcels are identified by the Jackson County Assessor's office. A complete listing of the tax parcels identified by the Jackson County Assessor is included in Appendix A.

Report Format

The Blight Study is presented in three sections and an Appendix. Section I presents an overview of the project, a definition of "blight," and the study methodology. Section II presents a description of the Study Area and an overview of existing conditions. Section III defines the primary categories of blight and documents conditions which are present within each category and provides a conclusion derived from the research.

The Appendix includes a chart of parcels exhibiting the various blighting conditions.

Downtown Hotel Boundary Map



Legend

- Downtown Hotel
- Streets
- ▭ Parcels



Section II

Area Overview and Description

PROPERTY DATA

Location & Access

The proposed Downtown Hotel Redevelopment Area encompasses that portion of the Crossroads neighborhood generally located at 1514 Baltimore Avenue, 1521 Wyandotte Street, 1517 Wyandotte Street and 1501 Wyandotte Street in Kansas City on a block that is generally bound by West Truman Road on the north, Baltimore Avenue on the east, West 16th Street on the south, and Wyandotte Street on the west. Two of the four streets that border the Study Area – Wyandotte Street and Baltimore Avenue, both of which are two-way streets running north/south - are major thoroughfares and classified in the City's Major Street Plan as "Activity Streets" and in other city planning documents as secondary arterials. W. Truman Road is a one-way street running east and provides access to the Study Area via Baltimore Avenue (Truman Road runs east underneath Wyandotte Street) and along the southern edge of Interstate 670 from Broadway Boulevard and the Broadway Boulevard exit from Interstate 35. Truman Road also provides access to Interstate 670 and the downtown loop interstate highway system east of the Study Area. West 16th Street is a two-way street that provides access to the local street network. Wyandotte Street and Baltimore Avenue provide easy access to the downtown loop and the Crossroads neighborhood.

The Study Area is well-served by public transit. The Main Street MAX, a bus rapid transit service, runs north/south on Wyandotte Street and then east/west on West 16th Street between Wyandotte Street and Baltimore Avenue. The route runs each day of the week and with a stop at the 10th and Main Metrocenter Transit Plaza, provides connections to virtually anywhere within the service area of the Kansas City Area Transportation Authority. In addition to the Main Street MAX the Casino Cruiser, which also runs each day of the week, also runs along Wyandotte Street and West 16th Street adjacent to the Study Area. The Casino Cruiser provides service to Ameristar, Harrah's, and Isle of Capri Casinos, Worlds of Fun, Downtown (including the Performing Arts Center and the Convention Center) and Crown Center. Although not directly serving the Study Area, the Kansas City Streetcar when finished will run north/south on Main Street just one block east of the Study Area, with a station stop located just north of East 16th Street.

The Bike KC Plan does not contain bike routes or trails for the Study Area. A north/south bike route is planned for Grand Boulevard east of the Study Area, and the nearest east/west routes are located on 12th Street, north of the Study Area, and 19th Street and Southwest Boulevard to the south.

Pedestrian access is very good, with sidewalks on both sides of three of the streets bordering the Study Area – Wyandotte Street, W. 16th Street, and Baltimore Avenue. Sidewalks do not exist along Truman Road. Sidewalks are generally in good to excellent condition throughout the

Study Area and provide linkages to the downtown loop to the north and the Crossroads neighborhood to the south.

Access to the four properties is primarily good.

Land Area

According to calculations from city GIS maps, the redevelopment area contains a total of approximately 2.8 acres.

Topography

The City's GIS maps illustrate the topography of the Study Area vastly different between the western and eastern halves of the block. The western half of the block is quite high and slopes slightly downward to the east. The highest point in the Study Area is near the northwest corner of the block at approximately Kansas City datum 900.00. The north/south centerline of the block is at approximately Kansas City datum 890.00. The center ridge extends to within 150 feet of West 16th Street before sloping down to the eastern half of the block which is relatively flat at approximately Kansas City datum 860.00. As a result of the topography a thirty-foot tall wall of rock separates much of the western and eastern halves of the block. The lowest point in the Study Area is located near the southeast corner of the block at approximately Kansas City datum 858.00.

According to the same GIS map, none of the proposed redevelopment area is within a 100-year or 500-year floodplain.

Easements

The consultant was not provided with title reports that encompass any part of the Study Area. No overall evaluation can be developed regarding easements or other restrictions which may be in effect within the Study Area.

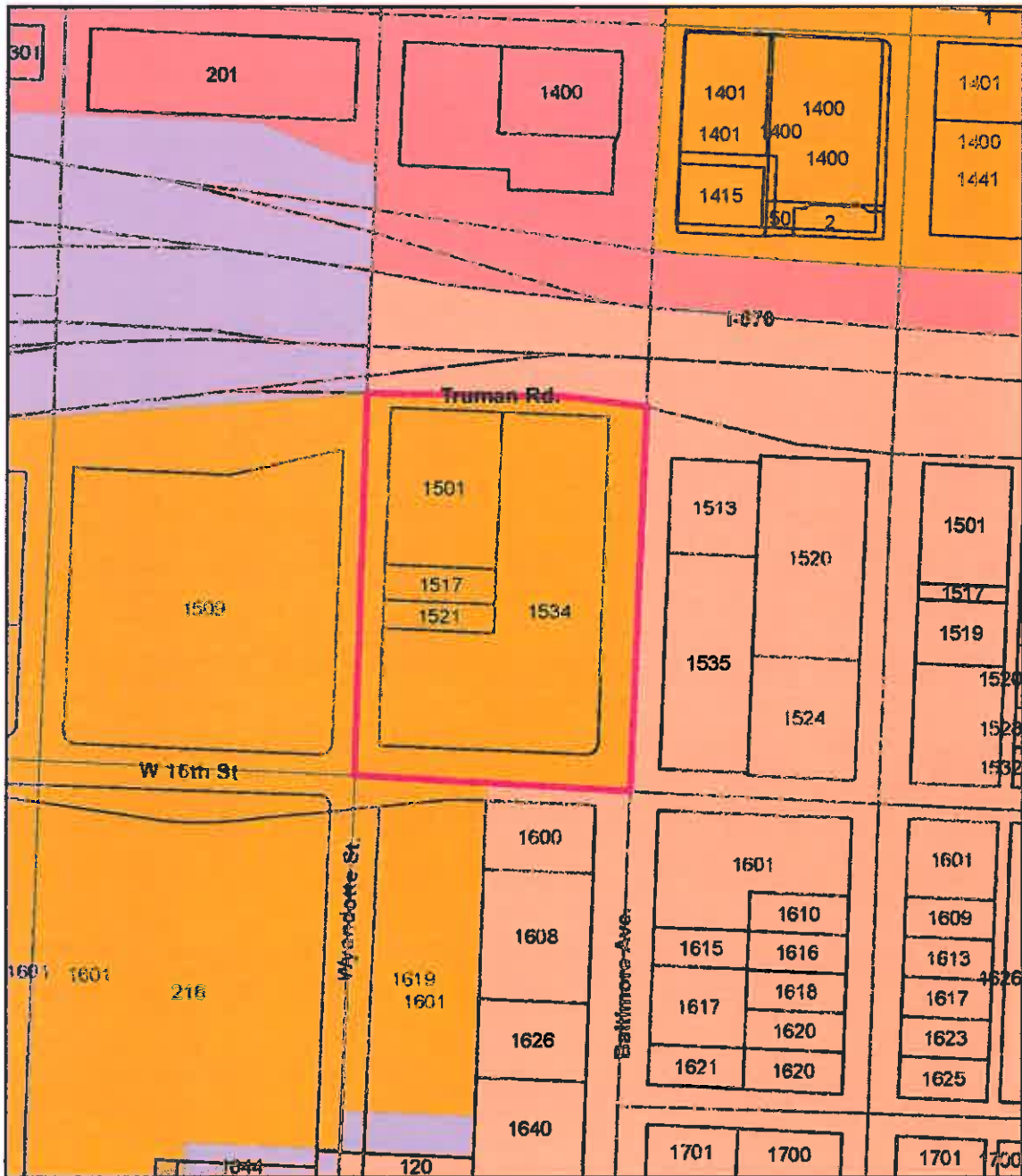
Utilities

All utilities are available to the properties located within the proposed redevelopment area.

Zoning

The existing zoning in the Study Area is UR (Urban Redevelopment). Below is a map indicating the zoning districts within the Study Area and a chart summarizing the zoning class:

Downtown Hotel Zoning Map



Legend

- Downtown Hotel Zoning
- Streets
- Parcels
- DC-15
- DX-15
- M1-5
- UR



APD Urban Planning Management

Zoning Classification	Purpose*
UR Urban Redevelopment	The purpose of the UR, Urban Redevelopment district is to promote development and redevelopment of underdeveloped and blighted sections of the city and to accommodate flexibility in design to help ensure realization of the stated purposes of an approved plan for redevelopment. UR districts are further intended to promote the following objectives: a) a more efficient and effective relationship among land use activities; b) preservation and enhancement of natural, cultural and architectural resources and features; c) enhancement of redevelopment areas to accommodate effective redevelopment; and d) seamless and compatible integration of redevelopment projects into the development patterns that exist or that are planned to exist within the subject area.

*Kansas City Zoning & Development Code

The City of Kansas City, Missouri approved a new Zoning and Development Code on May 21, 2009 by Ordinance No. 081033. The new code became mandatory on January 1, 2011. The zoning district noted above is part of the new code.

A copy of the new zoning and development code is available at the Department of City Planning and Development of the City of Kansas City.

Environmental

Due to the date of construction of some of the improvements in the Planning Area the improvements and surrounding area could contain some type of environmental liability. Such liabilities might include asbestos-containing material, lead-based paint, and underground fuel storage tanks. Depending on the size, amount and nature of potential contaminated materials, their presence can pose a significant liability to the property and the overall redevelopment plan. It is recommended that prior to extensive redevelopment of the Planning Area, environmental inspections be completed to identify and remediate potential environmental liabilities. The consultant is unaware of any environmental contamination within the Planning Area.

Real Estate Taxes

A five-year history of the assessed values within the proposed redevelopment area is included in the appendix.

The foregoing figures are the assessor's opinion of market value and the resulting assessed value for each of the properties within the proposed redevelopment area. All property is supposed to

be re-assessed in odd-numbered years, except that new construction (including remodeling) can be assessed in any year.

To determine assessed value, the assessment ratio for commercial properties is 32%, and for residential properties the ratio is 19%. The real estate levy for 2014 in the Study Area was \$8.0288 per \$100 of assessed valuation. An additional \$1.437 per \$100 is assessed on commercial/industrial property only (the Merchants and Manufacturers replacement tax).

In 2014, the Study Area generated \$2,458,720 in taxable assessed value, generating a total of \$0.00 in real estate taxes, or a very low \$0.00 per square foot of property due to the tax exempt status of both property owners. The total assessed value of the Study Area has remained the same the past five years.

Improvements

The Study Area consists of approximately 2.8 acres on one city block bound by West Truman Road on the north, Baltimore Avenue on the east, West 16th Street on the south, and Wyandotte Street on the west. Improvements within the Study Area primarily consist of an office building with ancillary parking on the western half of the block and a surface parking lot on the eastern half of the lot.

The office building at 1501 Wyandotte Street is a two-story concrete structure with stone cladding consisting of just more than 16,500 square feet and constructed in 1986. The building has always been the headquarters of the American Hereford Association. Offices, meeting rooms, and a museum are located on the second floor. The first floor contains offices and an atrium lobby with views of the Kansas City skyline. The basement level is accessed by a drive on the southeast corner of the building and contains a staff lounge, garage, and storage. Surface parking for the building is located immediately to the south. Immediately to the north is a small rectangular stone platform with storm water drains that slopes steeply and becomes a retaining wall adjacent to and immediately south of West Truman Road. Overgrown vegetation covers the stone outcropping and retaining wall. A chain link fence borders the property on the east along the ridge of the site and part of the southern edge of the parking lot. A bus stop is located south of the parking lot on Wyandotte Street, and the Bartle Hall Ballroom is located across the street to the west. The building is in generally very good condition but has some deferred maintenance issues, the most visible of which is staining of the stone cladding below windows and other joints where dirt can collect before being washed down the surface of the stone cladding. Caulk and sealants have begun to dry out and crack in numerous locations on the building and on the site, and if not corrected in the near future could lead to water intrusion.

The rock wall described earlier is capped and partially covered with gunite and reinforced with steel ties. Some of the steel ties in the rock remain covered with a protective covering, but most of the ties have rusted. The gunite is deteriorating in a number of places along the rock wall. Rock continues to fall to the western edge of the surface parking lot below on the eastern half of the block, and to the southern edge of West Truman Road.

The surface parking lot on the eastern half of the block contains 141 parking stalls, with the length of the parking aisles oriented in a north/south direction. Access points for entry and exit

are located at the northeast and southeast corners of the lot along Baltimore Avenue. A pay station is located at the midpoint of the sidewalk on Baltimore Avenue. The drive aisle is one-way and all stalls are oriented diagonally.

Billboards

There are no billboards in the Study Area.

Crossroads Neighborhood

Location & Access

Crossroads is a seven by ten block area located between the Central Business District and the Crown Center/Union Station/Liberty Memorial neighborhood. It extends south from the southern leg of the Downtown freeway loop (approximately Truman Road) to the Kansas City Terminal Railway tracks at about 22nd Street and west from Oak Street to Interstate 35.

The neighborhood's central location, coupled with its proximity to the Downtown freeway loop and Interstate 35, makes access to Crossroads quite good. Interstates 29, 35, and 70 radiate outward from the Downtown loop, providing quick access to all but the southeast quadrant of the metropolitan area. Access to the southeast portion of the metropolitan area improved in 2001 with the completion of the Bruce R. Watkins Memorial Drive. The new highway (U.S. 71) connects the southeast corner of the Central Business District with I-435 and the new Cerner campus in the southeast portion of the city.

Two primary arterials, Broadway Boulevard and Main Street, also contribute to the access within the neighborhood. Both thoroughfares run north/south through the neighborhood, connecting it to the Midtown, Westport, and Country Club Plaza neighborhoods located south of Crown Center.

Crossroads is bordered to the west by the Westside North neighborhood, to the north by the CBD-Downtown neighborhood, to the east by the Hospital Hill neighborhood, and to the south by the Crown Center neighborhood. Access to and from these adjoining neighborhoods is quite easy by vehicle and by public transit.

Neighborhood Demographics

Population

The following provides population and income trends within a one-half, one, and two mile radius of the Study Area at 1514 Baltimore Avenue.

1514 Baltimore Ave. Radius	Historical Population		Projected Population	
	2000	2010	2015	2020
One-Half Mile	436	1,410	1,869	2,154
chg (1/2 mile)		+31.4%	+10.2%	+6.3%
chg from '00 (1/2 mile)		+31.4%	+44.9%	+54.0%
One Mile	7,659	10,024	10,989	11,790
chg (1 mile)		+27.0%	+11.2%	+6.9%
chg from '00 (1 mile)		+27.0%	+41.2%	+51.1%
Two Miles	23,516	25,832	27,255	28,579
chg (2 miles)		+6.8%	+4.6%	+3.4%
chg from '00 (2 miles)		+6.8%	+11.7%	+21.5%

Source: Claritas; Sterrett Urban, LLC.

1514 Baltimore Ave. Radius	Projected Median Household Income
	2015
One-Half Mile	37,824
chg (1/2 mile)	
One Mile	36,809
chg (1 mile)	
Two Miles	29,112
chg (2 miles)	

Source: Claritas

The population figures indicate tremendous population growth in the vicinity of the Study Area between 2000 and 2010, a direct result of the downtown housing boom taking place at the time. As one moves away from the Study Area the rate of growth is much slower during the same time period, in part because much of the area more than one mile away to the north and west of the Study Area is predominantly commercial and industrial in character. And as one moves away from the Study Area the density of development is much lower. The gain in population within two miles of the Study Area between 2000 and 2010 was between 21.5% and 54.0%, much faster than the rate at which the City of Kansas City grew over the same time period.

The median household income projection for the one-quarter, one-mile, and two-mile radius around the Study Area for 2015 was lower than the estimate for the Kansas City metropolitan area in 2013 (a range of \$29,112 to \$37,824 in the vicinity of the Study Area vs. \$56,248 for Kansas City).

The Claritas forecasts for 2015 and 2020 suggest continued gains in population for Crossroads, Downtown and surrounding areas, although at a much slower growth rate than between 2000 and 2010, and incomes will continue to be lower than that of the metropolitan area as a whole, especially as one moves away from the Study Area.

The most recent unemployment data for the Area is for the City of Kansas City, Missouri as a whole. The following data was provided by the Mid-America Regional Council (MARC):

Civilian Labor Force – Kansas City, Missouri
April 2015

Labor Force	Labor Force Employed	Labor Force Unemployed	Percentage Unemployed
257,419	239,792	17,627	6.8%

Source: Mid-America Regional Council

According to the Bureau of Labor Statistics, the preliminary unemployment rate for the Kansas City, KS/MO metropolitan area in April 2015 was 5.2%.

According to the Mid-America Regional Council, an unemployment rate of 4.0% can generally be considered “full employment.”

Section III

Determination of Study Area Conditions

Significant findings of the Kansas City Convention Center Headquarters Hotel Redevelopment Area Blight Study are presented in this discussion which follows. These findings are based on a review of documents and reports, interviews, field surveys, and analyses conducted in May and June of 2015. Properties and buildings, along with public improvements adjacent to the properties, were evaluated and deficiencies noted. As previously explained, the purpose of this study was to determine whether conditions as defined by RSMo. 99.805, RSMo. 99.320, and RSMo. 67.1401 of the Missouri State Statute exist in the Study Area. The principal categories reported here and in line with the respective statutes include: defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, and the existence of conditions which endanger life or property by fire and other causes. The Appendix section of this report includes a table exhibiting the conditions of each property.

Blight Defined

As presented in Section I, blight is defined as follows:

“Blighted area”, an area which:

...by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; (RSMo. Ch. 99.805(1)); Ch. 99.320(3); and Ch. 67.1401.2(3).

Several court cases provide additional direction in the consideration of blight:

- The courts have determined that it is not necessary for an area to be what commonly would be considered a “slum” in order to be blighted. *Parking Systems, Inc. v. Kansas City Downtown Redevelopment Corporation*, 518 S.W.2d 11, 15 (Mo. 1974)
- An otherwise viable use of a property may be considered blighted if it is an economic underutilization of the property. *Crestwood Commons Redevelopment Corporation v. 66 Drive-In, Inc.*, 812 S.W.2d 903, 910 (MO.App.E.D. 1991).
- It is not necessary for every property within an area designated as blighted to conform to the blight definition. A preponderance of blight conditions is

adequate to designate an area for redevelopment. *Maryland Plaza Redevelopment Corporation v. Greenberg*, 594 S.W.2d 284, 288 (MO.App.E.D. 1979).

- The courts have determined that in order to make a finding of blight for a defined redevelopment area, the total square footage of the area is to be considered and not a preponderance of the individual parcels. *Allright Properties, Inc. v. Tax Increment Financing Commission of Kansas City*, 240 S.W.3d 777 (MO.App.W.D. 2007).

Component 1: Defective or Inadequate Street Layout

Conditions typically associated with defective or inadequate street layout include poor vehicular access and/or internal circulation within the Study Area; substandard driveway definition and parking layout (e.g. lack of curb cuts, awkward entrance and exit points); offset or irregular intersections; and substandard or nonexistent pedestrian circulation.

As noted above there are several conditions used to determine whether a Study Area is blighted based on defective or inadequate street layout. During on-site investigations and field surveys, these conditions were rarely observed in the Study Area and were done so only at the surface parking lot located at 1514 Baltimore Avenue.

The surface parking lot at 1514 Baltimore Avenue consists of 141 parking stalls. The design is efficient – the lot is rectangular, the long sides of the parking areas are parallel, parking stalls are located along the perimeter of the lot, and the traffic lane serves two rows of stalls. The parking stalls are laid out diagonally to facilitate one-way travel through the lot. The drive aisle forms a one-way loop with access drives near both the northeast and southeast corners of the property and both are wide enough for entry and exit.

The parking lot does have a number of conditions that are unsafe due to the layout of the stalls and the location of the access points. The northern-most drive is located only within a few feet of West Truman Road. A vehicle exiting at this location in fact conceivably has three options – turn left, turn right, or travel straight ahead. Turning left onto Baltimore Avenue is not prohibited, but doing so puts the exiting vehicle in an unsafe situation of crossing two lanes of eastbound traffic on West Truman Road to the immediate left, assuming the vehicles traveling east-bound on West Truman Road have a green light at the Baltimore Avenue intersection. The light at the intersection of West Truman Road and Baltimore Avenue is directed to those vehicles traveling on West Truman Road and is very difficult to see at the parking lot exit.

A third lane on the south side West Truman Road east of Baltimore Avenue appears dedicated for those exiting the parking lot and those turning onto West Truman Road from north-bound Baltimore Avenue. Accessing the lane from the parking lot is made difficult, however, due to the exit's close proximity to the traffic on West Truman Road and the difficulty of seeing the traffic signal at the intersection.

While exiting onto south bound Baltimore is much easier, the turn from West Truman Road onto south bound Baltimore Avenue can be quite unsafe due to the location of the parking lot exit. Not only because of the scenarios above, but also because the nearest parking stall to the north

entrance, facing the northern edge of the lot, is too close to the entrance. As a result, a car backing out of the first one or two spaces in that location can cause delays to those vehicles entering the parking lot and back up onto West Truman Road.

As the above conditions and scenarios demonstrate, parking lot entrances should be kept away from busy intersections and from lines of vehicles stopped at a signal. In addition, it's important to be sure entering vehicles can move into a lot on an internal aisle, thereby avoiding entering congestion caused by involvement with turning vehicles.

There are no allowances for pedestrian circulation within the parking lot. A curb exists adjacent to the sidewalk along Baltimore Avenue. Handicapped stalls have been placed near the end of the parking aisle so as to minimize the travel of a wheelchair to the sidewalk, but place the handicapped in direct conflict with entering and exiting traffic at both of the access points as well as within the drive aisle. Curb ramps do not exist anywhere along the parking aisle to facilitate safer access to the sidewalk.

The parking lot accessible from Wyandotte Street also does not have provisions for pedestrian circulation. Accessible stalls for the handicapped are placed such that access to the building requires travel through the drive aisle and onto the sidewalk abutting Wyandotte Street to access a ramp that is noncompliant with ADA specifications in order to access the building's main entrance.

Signage and pavement markings are nonexistent at the parking lot on Baltimore Avenue or have faded and can no longer be read. During the field study observation was made of several vehicles traveling the wrong direction within the parking lot.

In addition to poor directional signage and markings, the lot has a few stalls that are poorly placed. In the northwestern corner of the property, the northern-most parking stall facing west is placed in conflict with the adjacent north-facing stall. And a stall at the southern end of the western drive aisle narrows the drive aisle considerably.

Of the four properties, two exhibit this condition and examples are shown in the photos below:



1514 Baltimore Avenue – inadequate signage and markings; parking stalls to right of entrance too close to entrance



1514 Baltimore Avenue – close proximity of parking lot entrance to West Truman Road



1514 Baltimore Avenue – conflict between vehicles as a result of stall layout



1514 Baltimore Avenue – lack of safe access from handicapped stalls to sidewalk



1514 Baltimore Avenue – unsafe parking stall due to slope of pavement for drainage

Component 2: Improper Subdivision or Obsolete Platting

There are specific conditions that can be used to determine whether a Study Area is blighted based on improper subdivision or obsolete platting. Among these conditions are faulty lot shape and/or layout, inadequate lot size, poor access, as well as conformity of use. On-site investigations and field surveys, and review of public records suggest these conditions cannot be found throughout the Study Area. The four parcels contained within the proposed redevelopment area do not exhibit improper subdivision or obsolete platting.

Component 3: Unsanitary or Unsafe Conditions

There are numerous locations within the Study Area exhibiting unsafe or unsanitary conditions. The most prevalent Study Area conditions considered unsafe or unsanitary include the existence of overgrown vegetation, noncompliance with the Americans with Disabilities Act, and the defective or inadequate street layout conditions noted earlier, including falling rock and gunite, traffic and pedestrian circulation hazards and ingress/egress in the parking lot located at 1514 Baltimore Avenue. Minor occurrences of trash/debris occur throughout the Study Area.

Examples of these blighting conditions are shown below.



1514 Baltimore Avenue – looking west – overgrown vegetation



1514 Baltimore Avenue and 1501 Wyandotte Street – looking west – overgrown vegetation



1501 Wyandotte Street – looking south – overgrown vegetation; falling rock



1514 Baltimore Avenue – looking south – overgrown vegetation; falling rock; trash/debris



1514 Baltimore Avenue – looking south – overgrown vegetation; trash/debris; deterioration of surface parking lot; falling rock



1514 Baltimore Avenue – looking south – overgrown vegetation; trash/debris; falling rock



1514 Baltimore Avenue – looking southwest – falling rock; overgrown vegetation; deterioration of surface parking lot



1514 Baltimore Avenue – looking southwest – falling rock; overgrown vegetation



1514 Baltimore Avenue – looking north – lack of curb ramps to sidewalk



1514 Baltimore Avenue – looking south - graffiti



1521 Wyandotte Street – looking northwest – graffiti



1514 Baltimore Avenue – looking west – trash/debris on sidewalk



1517 Wyandotte Street – looking north – overgrown vegetation



1501 Wyandotte Street – looking west – ramp noncompliant with ADA code



1501 Wyandotte Street – looking northeast – overgrown vegetation

Component 4: Deterioration of Site Improvements

The condition of deterioration of site improvements was primarily established through field survey work and observation of interior and exterior physical conditions of the four parcels within the Study Area. Building deterioration rating criteria considered included the following: primary structure (roof, walls, foundation); secondary structure (fascia/soffits, gutters/downspouts, exterior finishes, windows and doors, stairways/fire escapes); and exterior structure (mechanical equipment, loading areas, fences/walls/gates, other structures).

Only one building exists within the Study Area and is located at 1501 Wyandotte Street. The interior of the building appears well maintained and blighting conditions were not visible. The exterior of the building showed deterioration of some joints, especially between concrete walks and site and building walls. Water stains and some failure of finishes were visible on the soffit in the area of the main front recessed entrance. Water stains are visible on the stone cladding around the building, and some mechanical elements on the building are rusting but are minor in scope. Structural deterioration of primary building elements was not found throughout the Study Area at any of the four properties.

Examples of structural deterioration in the Study Area are shown in the photos below.



1501 Wyandotte Street – looking north – failure of joints/sealants



1501 Wyandotte Street – looking northwest – failure of joints/sealants



1501 Wyandotte Street – looking west -- failure of finishes on soffit at building entrance

Blight conditions were observed within the Study Area related to the deterioration of the site and non-primary improvements. These conditions which negatively affect the appearance and utilization of the area were related to deterioration of parking lot surfaces and the deterioration of the rock wall visible on the west edge of 1514 Baltimore Avenue and the north edge of 1501 Wyandotte Street. Minor occurrences include a lack of landscaping at 1514 Baltimore Avenue.



1501 Wyandotte Street – looking east – deterioration of rock/stone armour; overgrown vegetation



1514 Baltimore Avenue – looking north – lack of landscaping; trash/debris near bus stop



1514 Baltimore Avenue – looking southwest – lack of landscaping



1514 Baltimore Avenue – looking north – deterioration of surface parking lot



1514 Baltimore Avenue – looking west – deterioration of gunite, rock wall; overgrown vegetation



1514 Baltimore Avenue – looking west – deterioration of rock wall and gunite; overgrown vegetation; deterioration of steel ties



1514 Baltimore Avenue – looking southwest – deterioration of surface parking lot; overgrown vegetation; deterioration of gunite and rock wall



1514 Baltimore Avenue – looking west – deterioration of gunite and rock wall; deterioration of steel ties; overgrown vegetation



1514 Baltimore Avenue – looking west – deterioration of steel ties; deterioration of gunite and rock wall; overgrown vegetation



1514 Baltimore Avenue – looking west – deterioration of steel ties; deterioration of gunite and rock wall; overgrown vegetation



1514 Baltimore Avenue – looking west – deterioration of surface parking lot



1501 Wyandotte Street – looking south – deterioration of rock/stone armor and wall; overgrown vegetation

Component 5: Existence of Conditions which Endanger Life or Property by Fire and Other Causes

Fire safety information pertaining to the parcels in the Study Area was not gathered for this Blight Study as the data was not available. Crime data indicates areas with a higher level of crime than the Study Area are located to the east and within the Downtown loop. The Study Area is one of the safest areas within Kansas City’s urban core.

Conditions do not exist that endanger life or property by fire and other causes.

Summary of Blighting Cause Factors

The following table summarizes the five blighting cause factors analyzed during inspections of property within the Study Area.

Summary of Blighting Cause Factors

Kansas City Convention Center Headquarters Hotel

Study Area	Parcels	Pct.	Area (sq. ft.)	Pct.
Total	4	100%	120,364	100%
<u>Blighting Cause Factors</u>				
Defective or inadequate street layout	1	25.0%	80,222	66.6%
Improper subdivision or obsolete platting	0	0.0%	0	0.0%
Unsanitary or unsafe conditions	4	100.0%	120,364	100.0%
Deterioration of site improvements	2	75.0%	115,179	95.7%
Existence of conditions which endanger life or property by fire and other causes	0	0.0%	0	0.0%
Parcels with at least one blighting factor	4	100.0%	120,364	100.0%
Parcels with no blighting factors	0	0.0%	0	0.0%
Parcels with Predominance of Blighting Factors	1	25.0%	80,222	66.6%

The courts have determined that in order to make a finding of blight for a defined redevelopment area, the total square footage of the area is to be considered and not a preponderance of the individual parcels. Allright Properties, Inc. v. Tax Increment Financing Commission of Kansas City, 240 S.W.3d 777 (MO.App.W.D. 2007).

As evidenced from the table above, more than 50% of the redevelopment area satisfies the blighting factors of 1) defective or inadequate street layout, 2) unsanitary or unsafe conditions, and 3) deterioration of site improvements. In addition, the percentage of the study area that has at least one blighting factor is 100.0%. The percentage of the Study Area that exhibits a predominance of blighting factors is 66.6%.

Conditions that are the Effect of Blight

The following conditions are those stated in the statutory definition of blight that represent the effects of the conditions that caused the blighted condition – the components described in detail above. A property can meet one or more of the “cause” factors to be considered blighted, without actually suffering any adverse effects from those conditions. In such a case, the property would not meet the criteria of the statutory definition to be declared blighted. The statutory definition of blight includes the effect factors of:

- 1) retards the provision of housing accommodations; or
- 2) constitutes an economic or social liability; or
- 3) constitutes a menace to the public health, safety, morals, or welfare.

Each of the effect factors is to be evaluated in the proposed redevelopment area’s present condition and use.

The following effect components of the statutory definition of blight that are applicable to the Study Area are discussed below.

Economic Liability

Section 74-2 of the Kansas City, Missouri Code, entitled “Urban Redevelopment,” notes the following economic characteristics of blighted areas:

- Reduced or negligible income;
- Impaired economic value;
- Depreciated values;
- Impaired investments;
- Negligible income

The Missouri Supreme Court has determined that “the concept of urban redevelopment has gone far beyond ‘slum clearance’ and the concept of economic underutilization is a valid one.” Previously it was shown that the present condition of the Study Area generates \$0 annually in real estate taxes. Assessed value of the Study Area has stagnated and remained the same the past five years, translating to a decline in real dollars.

As noted above, the redevelopment of the Study Area has been hindered by several factors, including the rock/stone outcropping and its deteriorated nature, the deterioration of site improvements, noncompliance with the Americans with Disabilities Act, and the lack of nearby destinations within walking distance. Doing nothing will only result in further deterioration of the site improvements and continued lack of tax revenue productivity.

Redevelopment of the Study Area would result in new employment opportunities in the area. The potential increase in activity would also generate new sales, personal property, employment, and utility taxes.

Economic underutilization – evidenced by a lack of development, deteriorating and unsafe conditions, stagnant assessed values and the lack of tax revenue – in centrally located and thriving Downtown Kansas City indicates the proposed redevelopment area is blighted.

Conclusion

A predominance of the components that make up the definition of blight (RSMo. 99.805(1); RSMo. 99.320(3); and RSMo. 67.1401.2(3)) was present in the proposed Kansas City Convention Center Headquarters Hotel Redevelopment Area. Although some elements of the Study Area are in adequate or sound condition, deterioration of site improvements, noncompliance with the Americans with Disabilities Act, and the presence of unsafe conditions related to the stabilization of the rock/stone and the layout of the parking lot at 1514 Baltimore Avenue could lead the legislative body to a finding that the proposed redevelopment area is blighted.

The dominant blighting factors in the proposed redevelopment area include 1) the presence of unsafe or unsanitary conditions, including the presence of overgrown vegetation and noncompliance with ADA codes; 2) poor internal circulation and an unsafe design related to the large surface parking lot located on the eastern half of the Study Area; and 3) deterioration of site improvements, including surface parking lots and the stone/rock armor and retaining walls that exist on the northern edge of 1501 Wyandotte Street and the western edge of 1514 Baltimore Avenue. These factors result in unsafe conditions in the proposed redevelopment area and impair the value of the property.

Therefore, the consultant has determined that the proposed Kansas City Convention Center Headquarters Hotel Redevelopment Area of Kansas City, Missouri, as of June 8, 2015, is a “blighted area” according to the definition provided in Missouri’s Real Property Tax Increment Allocation Redevelopment Act statutes (RSMo. 99.800 et seq.), Missouri’s Land Clearance for Redevelopment Authority Law (RSMo. 99.300 et seq.), and Missouri’s Community Improvement District Act (RSMo. 67.1401 et seq.), and constitutes an economic liability in its present condition and use.

Appendix A

Property Ownership & Legal Descriptions

No.	Site Address	Parcel ID No.	Owner	Legal Description
1	1501 Wyandotte	29-230-26-02-00-0-00-000	American Hereford Association	1501 WYANDOTTE J H MCGEES ADD LOTS 19 THRU 22& N 5 FT OF LOT 23 BLK 2
2	1517 Wyandotte	29-230-26-03-00-0-00-000	American Hereford Association	1517 WYANDOTTE / VAC LOT J H MC GEES ADD S 45 FT LOT 23 BLK 2
3	1521 Wyandotte	29-230-26-04-00-0-00-000	American Hereford Association	1521 WYANDOTTE/VAC LOT J H MC GEES ADD N 36.5 FT LOT 24 BLK 2 1500'-34 BALTIMORE 1523'-29 WYANDOTTE J H MCGEES ADD LOTS 10 THRU 18BLK 2 EXC PRT IN ST & ALL VAC ALLEY LY W & ADJ ALSO S 13.5 FT OF LOT 24 & ALL LOTS 25 THRU 27 BLK 2 EXC PRT IN ST
4	1534 Baltimore Ave	29-230-26-17-00-0-00-000	City of Kansas City	

Appendix B

Property Valuation & Taxes

Kansas City Convention Headquarters Hotel Redevelopment Area
Blight Study

Appendix B
Property Valuation and Taxes

No.	Parcel ID Number	Assessed Value				Taxes		
		2011	2012	2013	2014	2015	2014	Delinquent
1	29-230-26-02-00-0-00-000	2,415,520	2,415,520	2,415,520	2,415,520	2,415,520	0.00	0.00
2	29-230-26-03-00-0-00-000	43,200	43,200	43,200	43,200	43,200	0.00	0.00
3	29-230-26-04-00-0-00-000	35,040	35,040	35,040	35,040	35,040	0.00	0.00
4	29-230-26-17-00-0-00-000	488,496	488,496	488,496	488,496	488,496	0.00	0.00
Total		2,458,720	2,458,720	2,458,720	2,458,720	2,458,720	0.00	0.00

Annual Change %
Cumulative Change %

0.00%
0.00%

0.00%
0.00%

0.00%
0.00%

Appendix C

Summary of Properties & Blighting Factors Present

No.	Parcel Address	Parcel APN (County)	Defective or inadequate street layout	Improper subdivision or obsolete platting	Unsanitary or unsafe conditions	Deterioration of site improvements	Endangerment of life or property by fire, other cause	TOTAL	Square Footage	Predominance of Blighting Factors Present
1	1501 Wyandotte	29-230-26-02-00-0-00-000			■	■		2	28,546.33	
2	1517 Wyandotte	29-230-26-03-00-0-00-000			■			1	6,410.94	
3	1521 Wyandotte	29-230-26-04-00-0-00-000			■			1	5,185.03	
4	1514 Baltimore Ave	29-230-26-17-00-0-00-000	■		■	■		3	80,222.03	■
TOTALS			1	0	4	2	0	7	120,364	1
			80,222	0	120,364	108,768	0			80,222
			66.6%	0.0%	100.0%	90.4%	0.0%			66.6%

Appendix D

Field Survey Ledger

**Blight Conditions Survey
Property Inspection Form**

Date: 6/7/15 & 6/8/15 TIF Redevelopment Area: KC Conv Center HQ Hotel

Address: 1501 Wyandotte Street

Parcel No. 2923026020000000 No. of Blighting Conditions 2

General Description

Zoning: UR Use: Office No. of Stories: 2

2-story concrete building with stone cladding, lower level. Well maintained. Sealants/joints cracking/failing at stairs, sidewalk and building, and stone cladding. Soffit at recessed entrance shows water stains, peeling paint. Portion of parking lot.

North side of building is stone/rock armor and retaining wall. Overgrown vegetation. Also along east side of property.

Presence of Blighting Conditions per RSMo. 99-805:

Defective or inadequate street layout

Poor vehicular access and/or internal circulation

High levels of traffic accidents

Substandard driveway definition and parking layout (e.g. lack of curb cuts, awkward entrance and exit points)

Offset or irregular intersections

Substandard or nonexistent pedestrian circulation

Notes: No pedestrian circulation within parking lot; conflicts between pedestrian (esp. handicapped) and vehicles

Improper subdivision or obsolete platting

Faulty lot shape and/or layout

Inadequate lot size

Poor access

Conformity of use

Notes: _____

Unsanitary or unsafe conditions

Poorly lit or unlit areas	<input type="checkbox"/>
Cracked/uneven/obstructed sidewalks/drives	<input type="checkbox"/>
Poor drainage	<input type="checkbox"/>
Environmental contamination	<input type="checkbox"/>
Buildings located within a floodplain	<input type="checkbox"/>
Uneven grading or steep slopes	<input checked="" type="checkbox"/>
High levels of calls for police service	<input type="checkbox"/>
Existence of:	
Trash/Debris/Litter	<input checked="" type="checkbox"/>
Weeds/Overgrown Vegetation (trees/lawn/shrubs)	<input checked="" type="checkbox"/>
Abandoned/Nuisance vehicles	<input type="checkbox"/>
High incidence of reported crime	<input type="checkbox"/>
Graffiti	<input type="checkbox"/>
Improper Open Storage	<input type="checkbox"/>
Other forms of vandalism or vagrant activity	<input type="checkbox"/>
Notes: <u>Steep rock/stone slope on north side of building with overgrown vegetation. Some trash/debris on site</u>	

<u>Deterioration of site improvements</u>	
Primary structure deterioration:	
Roof	<input type="checkbox"/>
Walls	<input type="checkbox"/>
Foundation	<input type="checkbox"/>
Secondary structure deterioration:	
Fascia/soffits	<input checked="" type="checkbox"/>
Gutters/downspouts	<input type="checkbox"/>
Exterior finishes	<input checked="" type="checkbox"/>
Windows and doors	<input type="checkbox"/>
Stairways/fire escapes	<input type="checkbox"/>
Exterior structure deterioration:	
Mechanical equipment	<input type="checkbox"/>
Loading areas	<input type="checkbox"/>
Fences/walls/gates	<input checked="" type="checkbox"/>
Other structures	<input type="checkbox"/>
Site maintenance:	
Neglected property	<input type="checkbox"/>
Unscreened trash or mechanical storage areas	<input type="checkbox"/>
Deterioration of parking surfaces	<input type="checkbox"/>
Lack of landscaping	<input type="checkbox"/>
Other general site maintenance problems	<input type="checkbox"/>
Infrastructure	
Streets	<input type="checkbox"/>
Curbs	<input type="checkbox"/>
Catch basins	<input type="checkbox"/>
Alley	<input type="checkbox"/>
Notes: <u>Soffit shows water stains and peeling paint as result; stone/rock armor and retaining wall deterioration</u>	

<u>Existence of conditions which endanger life or property by fire and other causes</u>	
High level of calls for fire safety	<input type="checkbox"/>
High incidence of reported crime	<input type="checkbox"/>

**Blight Conditions Survey
Property Inspection Form**

Date: 6/7/15 TIF Redevelopment Area: KC Conv Center HQ Hotel

Address: 1517 Wyandotte Street

Parcel No. 29230260300000000 No. of Blighting Conditions 1

General Description

Zoning: UR Use: Surface parking lot No. of Stories: NA

Portion of surface parking lot for office building at 1501 Wyandotte.

Parking lot in fair condition. Aggregate visible in asphalt. Overgrown vegetation east of fence.

Presence of Blighting Conditions per RSMo. 99-805:

Defective or inadequate street layout

Poor vehicular access and/or internal circulation

High levels of traffic accidents

Substandard driveway definition and parking layout
(e.g. lack of curb cuts, awkward entrance and exit points)

Offset or irregular intersections

Substandard or nonexistent pedestrian circulation

Notes: No pedestrian circulation within parking lot; conflicts between pedestrian and vehicles

Improper subdivision or obsolete platting

Faulty lot shape and/or layout

Inadequate lot size

Poor access

Conformity of use

Notes: _____

Unsanitary or unsafe conditions

Poorly lit or unlit areas	<input type="checkbox"/>
Cracked/uneven/obstructed sidewalks/drives	<input type="checkbox"/>
Poor drainage	<input type="checkbox"/>
Environmental contamination	<input type="checkbox"/>
Buildings located within a floodplain	<input type="checkbox"/>
Uneven grading or steep slopes	<input type="checkbox"/>
High levels of calls for police service	<input type="checkbox"/>
Existence of:	
Trash/Debris/Litter	<input type="checkbox"/>
Weeds/Overgrown Vegetation (trees/lawn/shrubs)	<input checked="" type="checkbox"/>
Abandoned/Nuisance vehicles	<input type="checkbox"/>
High incidence of reported crime	<input type="checkbox"/>
Graffiti	<input type="checkbox"/>
Improper Open Storage	<input type="checkbox"/>
Other forms of vandalism or vagrant activity	<input type="checkbox"/>

Notes: Overgrown vegetation along east side of property

Deterioration of site improvements

Primary structure deterioration:	
Roof	<input type="checkbox"/>
Walls	<input type="checkbox"/>
Foundation	<input type="checkbox"/>
Secondary structure deterioration:	
Fascia/soffits	<input type="checkbox"/>
Gutters/downspouts	<input type="checkbox"/>
Exterior finishes	<input type="checkbox"/>
Windows and doors	<input type="checkbox"/>
Stairways/fire escapes	<input type="checkbox"/>
Exterior structure deterioration:	
Mechanical equipment	<input type="checkbox"/>
Loading areas	<input type="checkbox"/>
Fences/walls/gates	<input type="checkbox"/>
Other structures	<input type="checkbox"/>
Site maintenance:	
Neglected property	<input type="checkbox"/>
Unscreened trash or mechanical storage areas	<input type="checkbox"/>
Deterioration of parking surfaces	<input type="checkbox"/>
Lack of landscaping	<input type="checkbox"/>
Other general site maintenance problems	<input type="checkbox"/>
Infrastructure	
Streets	<input type="checkbox"/>
Curbs	<input type="checkbox"/>
Catch basins	<input type="checkbox"/>
Alley	<input type="checkbox"/>

Notes: _____

Existence of conditions which endanger life or property by fire and other causes

High level of calls for fire safety	<input type="checkbox"/>
High incidence of reported crime	<input type="checkbox"/>

**Blight Conditions Survey
Property Inspection Form**

Date: 6/7/15 TIF Redevelopment Area: KC Conv Center HQ Hotel

Address: 1521 Wyandotte Street

Parcel No. 2923026040000000 No. of Blighting Conditions 1

General Description

Zoning: UR Use: Surface parking lot No. of Stories: NA

Portion of surface parking lot for office building at 1501 Wyandotte.

Parking lot in fair condition. Aggregate visible in asphalt. Overgrown vegetation east of fence. Graffiti on utility box. Presence of trash/debris at chain link fence

Presence of Blighting Conditions per RSMo. 99-805:

Defective or inadequate street layout

- Poor vehicular access and/or internal circulation
- High levels of traffic accidents
- Substandard driveway definition and parking layout
(e.g. lack of curb cuts, awkward entrance and exit points)
- Offset or irregular intersections
- Substandard or nonexistent pedestrian circulation

Notes: No pedestrian circulation within parking lot; conflicts between pedestrian and vehicles

Improper subdivision or obsolete platting

- Faulty lot shape and/or layout
- Inadequate lot size
- Poor access
- Conformity of use

Notes: _____

Unsanitary or unsafe conditions

Poorly lit or unlit areas	<input type="checkbox"/>
Cracked/uneven/obstructed sidewalks/drives	<input type="checkbox"/>
Poor drainage	<input type="checkbox"/>
Environmental contamination	<input type="checkbox"/>
Buildings located within a floodplain	<input type="checkbox"/>
Uneven grading or steep slopes	<input type="checkbox"/>
High levels of calls for police service	<input type="checkbox"/>
Existence of:	
Trash/Debris/Litter	<input checked="" type="checkbox"/>
Weeds/Overgrown Vegetation (trees/lawn/shrubs)	<input checked="" type="checkbox"/>
Abandoned/Nuisance vehicles	<input type="checkbox"/>
High incidence of reported crime	<input type="checkbox"/>
Graffiti	<input checked="" type="checkbox"/>
Improper Open Storage	<input type="checkbox"/>
Other forms of vandalism or vagrant activity	<input type="checkbox"/>

Notes: Overgrown vegetation along east side of property. Trash/debris at chain link fence. Graffiti at utility box near Wyandotte Street

Deterioration of site improvements

Primary structure deterioration:	
Roof	<input type="checkbox"/>
Walls	<input type="checkbox"/>
Foundation	<input type="checkbox"/>
Secondary structure deterioration:	
Fascia/soffits	<input type="checkbox"/>
Gutters/downspouts	<input type="checkbox"/>
Exterior finishes	<input type="checkbox"/>
Windows and doors	<input type="checkbox"/>
Stairways/fire escapes	<input type="checkbox"/>
Exterior structure deterioration:	
Mechanical equipment	<input type="checkbox"/>
Loading areas	<input type="checkbox"/>
Fences/walls/gates	<input type="checkbox"/>
Other structures	<input type="checkbox"/>
Site maintenance:	
Neglected property	<input type="checkbox"/>
Unscreened trash or mechanical storage areas	<input type="checkbox"/>
Deterioration of parking surfaces	<input type="checkbox"/>
Lack of landscaping	<input type="checkbox"/>
Other general site maintenance problems	<input type="checkbox"/>
Infrastructure	
Streets	<input type="checkbox"/>
Curbs	<input type="checkbox"/>
Catch basins	<input type="checkbox"/>
Alley	<input type="checkbox"/>

Notes: _____

Existence of conditions which endanger life or property by fire and other causes

High level of calls for fire safety	<input type="checkbox"/>
High incidence of reported crime	<input type="checkbox"/>

**Blight Conditions Survey
Property Inspection Form**

Date: 6/7/15 TIF Redevelopment Area: KC Conv Center HQ Hotel

Address: 1514 Baltimore Avenue

Parcel No. 29230261700000000 No. of Blighting Conditions 3

General Description

Zoning: UR Use: Surface parking lot No. of Stories: NA

Surface parking lot

141 parking stalls. One-way drive aisle. Ingress/egress at northeast and southeast corners of property. Rock/stone wall on west side of property deteriorating (rock falling, steel ties in poor condition). Parking surface shows alligating, wide cracks, poor drainage, uneven grade, stalls in northeast corner conflict, no ADA curb ramps to sidewalk, poor location for access at northeast corner next to Truman Road, overgrown vegetation, trash/debris throughout parking lot and rock debris from wall

Presence of Blighting Conditions per RSMo. 99-805:

Defective or inadequate street layout

- Poor vehicular access and/or internal circulation
- High levels of traffic accidents
- Substandard driveway definition and parking layout (e.g. lack of curb cuts, awkward entrance and exit points)
- Offset or irregular intersections
- Substandard or nonexistent pedestrian circulation

Notes: No pedestrian circulation within parking lot; conflicts between pedestrian and vehicles (esp. handicapped); poor location for access at northeast corner adjacent to Truman; no directional signage; pavement markers badly faded

Improper subdivision or obsolete platting

- Faulty lot shape and/or layout
- Inadequate lot size
- Poor access
- Conformity of use

Notes: _____

Unsanitary or unsafe conditions

- Poorly lit or unlit areas
- Cracked/uneven/obstructed sidewalks/drives
- Poor drainage
- Environmental contamination
- Buildings located within a floodplain
- Uneven grading or steep slopes
- High levels of calls for police service
- Existence of:
 - Trash/Debris/Litter
 - Weeds/Overgrown Vegetation (trees/lawn/shrubs)
 - Abandoned/Nuisance vehicles
 - High incidence of reported crime
 - Graffiti
 - Improper Open Storage
 - Other forms of vandalism or vagrant activity

Notes: Danger of falling rock along west side of property; debris on sidewalk along 16th Street; trash/debris strewn about parking lot; overgrown vegetation; graffiti at package pick-up

Deterioration of site improvements

- Primary structure deterioration:
 - Roof
 - Walls
 - Foundation
- Secondary structure deterioration:
 - Fascia/soffits
 - Gutters/downspouts
 - Exterior finishes
 - Windows and doors
 - Stairways/fire escapes
- Exterior structure deterioration:
 - Mechanical equipment
 - Loading areas
 - Fences/walls/gates
 - Other structures
- Site maintenance:
 - Neglected property
 - Unscreened trash or mechanical storage areas
 - Deterioration of parking surfaces
 - Lack of landscaping
 - Other general site maintenance problems
- Infrastructure
 - Streets
 - Curbs
 - Catch basins
 - Alley

Notes: Surface parking lot shows alligatoring, wide cracks throughout lot; pay station rusting

Existence of conditions which endanger life or property by fire and other causes

- High level of calls for fire safety
- High incidence of reported crime

DESIGN REVIEW PROCESS

All redevelopment proposals for the Kansas City Land Clearance for Redevelopment Authority's (LCRA) Disposition Parcels will be subject to design review and approval by the Authority before and after the execution of the Disposition Agreement, Inducement Resolution, Redevelopment Contract, Certificate of Tax Abatement, or other necessary action of Authority. In addition, all development proposals for new construction, or the rehabilitation of existing structures within designated urban renewal areas will be subject to the LCRA's design review and approval. This review will evaluate the quality and appropriateness of the proposal on the basis of the design objectives stated in the Plan and the special land use and building requirements stated in more detailed and refined Development Objectives and Controls which may be prepared for the site.

This review will be conducted by the LCRA. The LCRA may engage professional consulting services from time to time to provide technical advices. Required submissions shall be made to the Authority through the Executive Director.

Required submission will occur at three (3) stages in the preparation of the redevelopment proposal. Additional informal reviews at the request of either the Redeveloper or the LCRA Staff are encouraged. A time schedule for the required submissions will be agreed upon on or before the time of execution of the Land Disposition Agreement, Inducement Resolution, or other action by the LCRA, and will be set forth therein or in a separate document. It is the intention of the LCRA Staff that once approval has been given of a submission stage, further review will be limited to consideration of a development or refinement of previous approved submission, or to new elements which were not present in previous submissions.

The formal stages of submission follow:

1. SCHEMATIC DESIGN

This review is intended to secure agreement on and approval of the basic design concept prior to extensive work by the Redeveloper's architect. The LCRA does not encourage submission of more than the following, which it feels is sufficient to describe the proposal:

- (a) Site plan at any appropriate scale (1" = 100' and 1" = 40' are preferred scales); emphasizing general relationships of proposed and existing buildings, walls and open space, including that mutually defined by buildings on adjacent parcels and across streets. The general location of walks, driveways, parking, service areas, road and major landscape features, in addition to the buildings, should be shown. Pedestrian and vehicular flow through the parcel and to adjacent areas shall be shown. Where relevant, site sections showing height relationships with proposed and adjacent buildings shall be provided.
- (b) Building plans, elevations, and sections at any appropriate scale, showing organization of functions and spaces. These drawings need not be more detailed than sufficient to indicate general architectural character and proposed finish materials.

- (c) All sketches, diagrams, and other materials relevant to the proposal which were used by the architect during his/her initial study and which will help to clarify the architect's problem and his/her solution to it.
- (d) Written statement of proposal, including total square footage, F.A.R., number of parking spaces, structural system and principal building materials, and estimated costs.
- (e) Proposed time schedule for the following submissions and estimated construction time.

Upon approval by the LCRA of the SCHEMATIC DESIGN, the following submission is required:

2. DESIGN DEVELOPMENT

This review is intended to secure agreement on and approval of the final design prior to extensive and detailed work on the preliminary working drawings.

- (a) Site Plan development of 1 (a) at 1" = 40' minimum (or as determined after approval of SCHEMATIC DESIGN). Phasing possibilities, if any, shall be shown. Proposed site grading, including typical existing and proposed grades at parcel lines shall be shown. Those areas of the site proposed to be developed "by other" or easements to be provided for other shall be clearly indicated. All dimensions which may become critical from the point of view of zoning shall be indicated. Adjacent buildings, streets and buildings across streets must be indicated.
- (b) Site sections at 1" = 40' (minimum) showing vertical relationships in addition to those shown above.
- (c) Building plans, elevations, and sections developed from those of 1 (b.).
- (d) Time schedule for the following submission.

Upon approval by the LCRA of the DESIGN DEVELOPMENT, the following submission is required:

3. FINAL WORKING DRAWINGS AND SPECIFICATIONS

- (a) Complete site plans for the parcel development to working drawing level of detail. These drawings, upon approval, will serve as a basic coordination drawing indicating scope of work and responsibilities to be performed by others.
- (b) Complete working drawings and specifications ready for bidding.

- (c) Statement of proposal, indicating differences, if any, form 1 (d.).
- (d) Time schedule for construction of this project.
- (e) Detailed financial plan, including costs, rents and operation.

Once FINAL WORKING DRAWINGS AND SPECIFICATIONS have been approved and construction started, the only items subject to an additional review will be requests for change orders in the construction. The Redeveloper is strictly required to construct the project in accordance with all details of the approved drawings. Permission to make changes from such approved drawings must be requested by the Redeveloper in writing to the Director of Planning, who in turn, will reply in writing, giving approval or disapproval of the changes. No changes in the work are to be undertaken until such approval has been obtained.

RESOLUTION NO. 3-02-08

RESOLUTION ADOPTING A STANDARDIZED RELOCATION POLICY

WHEREAS, the Land Clearance for Redevelopment Authority of Kansas City, Missouri (the "Authority") has the power to prepare plans and provide reasonable assistance for the relocation of families displaced from a land clearance project area or an urban renewal project area, to the extent essential for acquiring possession of and clearing or renewing the area or parts thereof;

WHEREAS, on March 25, 1987, by Resolution 87-25, the Authority adopted a standardized relocation policy to be included henceforth in all urban renewal plans; and

WHEREAS, the Authority desires to update the standardized relocation policy.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Land Clearance for Redevelopment Authority of Kansas City, Missouri, as follows:

1. Henceforth, all urban renewal plans approved by the Authority shall contain the following provisions:

Relocation Plan.

(a) Definitions. The following terms, whenever used or referred to herein, shall have the following meanings:

- (i) Business. "Business" shall mean any lawful activity that is conducted:
 - a. Primarily for the purchase, sale or use of personal or real property or for the manufacture, processing or marketing of products or commodities;
 - b. Primarily for the sale of services to the public; or
 - c. On a not-for-profit basis by any organization that has obtained an exemption from the payment of federal income taxes as provided in Section 501(c)(3) of Title 26, U.S.C., as amended, and veterans organizations.

- (ii) Decent, safe and sanitary dwelling. "Decent, safe and sanitary dwelling" shall mean a dwelling which meets applicable housing and occupancy codes. The dwelling shall:
 - a. Be structurally sound, weather tight and in good repair;
 - b. Contain a safe electrical wiring system;

- c. Contain an adequate heating system;
- d. Be adequate in size with respect to the number of rooms needed to accommodate the displaced occupant; and
- e. For a handicapped occupant, be free of any barriers which would preclude reasonable ingress, egress or use of the dwelling;

(iii) Designated Occupants. “Designated occupants” shall mean handicapped displaced occupants and those displaced occupants who are 65 years of age or older at the time of the notice to vacate or who have an income less than the average median income for the metropolitan area as certified annually by the Director of City Development based upon the standards established by the Department of Housing and Community Development.

(iv) Displaced business. “Displaced business” shall mean any business that moves from real property within the development area as a result of the acquisition of such property, as a result of written notice to vacate such property, or in connection with the demolition, alteration or repair of said property, by any person who subsequently seeks tax abatement pursuant to R.S.Mo. § 99.700, et seq., as amended.

(v) Displaced occupant. “Displaced occupant” shall mean any occupant who moves from real property within the development area as a result of the acquisition of such property, as a result of written notice to vacate such property, or in connection with the demolition, alteration or repair of said property, by any person who subsequently seeks tax abatement pursuant to R.S.Mo. § 99.700, et seq., as amended.

(vi) Handicapped occupant. “Handicapped occupant” shall mean any occupant who is deaf, legally blind, or orthopedically disabled to the extent that acquisition of other residence presents a greater burden than other occupants would encounter or that modification to the residence would be necessary.

(vii) Occupant. “Occupant” shall mean a residential occupant of a building having lawful possession thereof, and further shall include any individual in lawful possession, whether related by blood or marriage to any other occupant.

(viii) Person. “Person” shall mean any individual, firm, partnership, joint adventure, association, corporation and any life insurance company, organized under the laws of, or admitted to do business in the State of Missouri, undertaking a redevelopment project in an urban renewal area, whether organized for profit or not, estate, trust, business trust, receiver or trustee appointed by any state or federal court, syndicate, or any other group or combination acting as a

unit, and shall include the male as well as the female gender and the plural as well as the singular member.

(b) Plan Requirement. Every person approved by the Authority as a developer of property in furtherance of an urban renewal plan shall submit to the Authority a relocation plan as part of the developer's redevelopment plan.

(c) Contents of Plan. The relocation plan shall provide for the following:

(i) Payments to all displaced occupants and displaced businesses who occupied the property to be acquired for not less than ninety (90) days prior to the initiation of negotiations who are required to vacate the premises by the developer, its assigns or any person seeking tax abatement pursuant to R.S.Mo. § 99.700, et seq, as amended; and

(ii) A program for identifying needs of displaced occupants and displaced businesses with special consideration given to income, age, size of family, nature of business, availability of suitable replacement facilities, and vacancy rates of affordable facilities; and

(iii) A program for referrals of displaced occupants and displaced businesses with provisions for a minimum of three (3) decent, safe and sanitary dwelling referrals for residential occupants or suitable referral sites for displaced businesses, a minimum of ninety (90) days notice of referral sites for all displaced occupants and displaced businesses prior to the date such displaced occupant or displaced business is required to vacate the premises; and arrangements for transportation to inspect referral sites to be provided to displaced businesses and displaced occupants, including designated occupants.

(iv) A program for providing proper and timely notice to all displaced occupants and displaced businesses, including a general description of their potential rights and benefits if they are displaced, their eligibility for relocation assistance, and the nature of that assistance. The notices required for compliance with this section are as follows:

- a. A general information notice that shall be issued at the approval and selection of a designated redeveloper and shall inform residential and nonresidential owners and occupants of a potential project, including the potential acquisition of the property;
- b. A notice of relocation eligibility that shall be issued as soon as feasible after the execution of the redevelopment agreement and shall inform residential and nonresidential occupants within the project area who will be displaced of their relocation

assistance and nature of that assistance, including ninety (90) days advance notice of the date the occupants must vacate..

(d) Payments to Occupants. All displaced occupants eligible for payments under subsection (c)(i) hereof shall be provided with relocation payments based upon one of the following, at the option of the occupant:

(i) A \$1,000.00 fixed moving expense payment to be paid at least thirty (30) days prior to the date the occupant is required to vacate the premises; or

(ii) Actual reasonable costs of relocation including, but not limited to, actual moving costs, utility deposits, key deposits, storage of personal property up to one month, utility transfer and connection fees, and other initial rehousing deposits including first and last month's rent and security deposit. Such costs of relocation shall not include the cost of a replacement property or any capital improvements thereto.

(e) Displaced Handicapped Occupant Allowance. In addition to the payments provided in subsection (d) hereof, an additional relocation payment shall be provided to displaced handicapped occupants which shall equal the amount, if any, necessary to adapt a replacement dwelling to substantially conform with the accessibility and use-ability of such occupant's prior residence, such amount not to exceed Four Hundred Dollars (\$400.00).

(f) Payment to Businesses. All displaced businesses eligible for payments under subsection (c)(i) hereof shall be provided with relocation payments based upon the following, at the option of the business:

(i) A \$3,000.00 fixed moving expense payment to be paid at least thirty (30) days prior to the date the business is required to vacate the premises, and up to an additional \$10,000.00 for reestablishment expenses. Reestablishment expenses are limited to actual costs incurred for physical improvements to the replacement property to accommodate the particular business at issue; or

(ii) Actual costs of moving, including costs for packing, crating, disconnection, dismantling, reassembling and installing all personal equipment and costs for relettering similar signs and similar replacement stationery, and up to an additional \$10,000.00 for reestablishment expenses. Reestablishment expenses are limited to actual costs incurred for physical improvements to the replacement property to accommodate the particular business at issue.

(g) Advance Relocation Payment. If a displaced occupant or displaced business demonstrates the need for an advance relocation payment, in order to avoid or reduce a hardship, the developer or Authority shall issue the payment subject to such safeguards as are appropriate to ensure that the objective of the payment is accomplished.

Payment for a satisfactory claim shall be made within thirty (30) days following receipt of sufficient documentation to support the claim. All claims for relocation payment shall be filed with the displacing agency within six months after:

(i) For tenants, the date of displacement;

(ii) For owners, the date of displacement or the final payment for the acquisition of the real property, whichever is later.

(h) Waiver of Payments. Any occupant who is also the owner of premises and any business may waive their relocation payments set out above as part of the negotiations for acquisition of the interest held by said occupant or business. Said waiver shall be in writing and filed with the Authority. Any waiver of relocation payments shall not include a waiver of any notice provisions of this relocation policy or of Section 523.205, RSMo, and a displaced occupant or displaced business shall remain entitled to all of the provisions regarding programs which are contained in subsections (ii) and (iv) of section (c) of this relocation policy.

(i) Notice of Relocation Benefits. All occupants and businesses eligible for relocation benefits hereunder shall be notified in writing of the availability of such relocation payments and assistance, such notice to be given concurrent with the notice of referral sites required by subsection (c)iii hereof.

(j) Persons Bound by the Plan. Any developer, its assigns or transferees, is required to comply with the provisions hereof and shall certify such compliance to the Executive Director of the Authority. Such certification shall include, among other things, the addresses of all occupied residential buildings and structures within the redevelopment plan area and the names and addresses of occupants and businesses displaced by the developer and specific relocation benefits provided to each occupant and business, as well as a sample notice provided each occupant and business. No person shall be entitled to the tax abatement provisions of R.S.Mo. § 99.700, et seq., as amended, if said person has failed to comply with the relocation benefits provided herein.

(k) Minimum requirements. The requirements set out herein shall be considered minimum standards. In reviewing any proposed redevelopment plan, the Authority shall determine the adequacy of the proposal and may require additional elements to be provided therein.

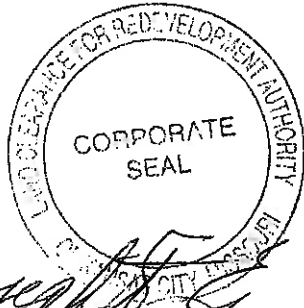
(l) Assistance Prohibited. Relocation assistance shall not be provided to any occupant who purposely resides or any business that is purposely located in a redevelopment area solely for the purpose of obtaining relocation benefits.

2. Prior resolutions of the Authority adopting the provisions of the Uniform Relocation Assistance and Real Properties Acquisition Policy Act of 1970, 42 U.S.C. § 4621, et seq., as amended, and its implementing regulations, shall henceforth be applicable only to federally-assisted projects in which the Authority acquires real property by exercising its power

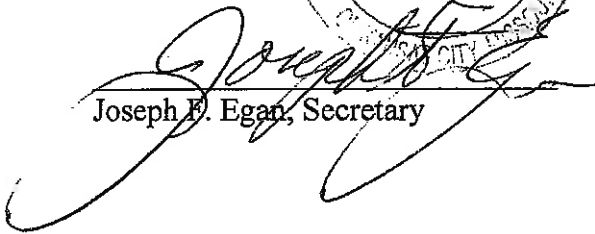
of eminent domain or to projects acquired for the same public use through the same procedures and which are being purchased solely through expenditure of state or local funds.

3. This Resolution shall take effect immediately.

ADOPTED this 26th day of March, 2008.



ATTEST:


Joseph F. Egan, Secretary


R. Michael Duffy, Chairman

APPENDIX 3

THE WORKABLE PROGRAM
OF
LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY OF KANSAS CITY, MISSOURI

RECITALS

- A. Land Clearance for Redevelopment Authority of Kansas City, Missouri (the "Authority") is a public body corporate and politic created by the Land Clearance for Redevelopment Authority Law, RSMo, 99.300, et seq. ("LCRA Law"), and is transacting business and exercising the powers granted by the LCRA Law by virtue of Committee Substitute for Ordinance NO. 16120, passed by the City Council of Kansas City, Missouri ("City Council") on November 21, 1952.
- B. The LCRA Law, Section 99.420 (5), authorizes the Authority to prepare a Workable Program.
- C. Workable Program is defined in LCRA Law, Section 99.320 (23), as:
- "An official plan of action, as it exists from time to time, for effectively dealing with the problem in insanitary, blighted, deteriorated or deteriorating areas within the community and for the establishment and preservation of a well-planned community with well-organized residential neighborhoods of decent homes and suitable living environment for adequate family life, for utilizing appropriate private and public resources to eliminate and prevent the development or spread of insanitary, blighted, deteriorated or deteriorating areas, to encourage needed urban rehabilitation, to provide for the redevelopment of blighted, insanitary, deteriorated and deteriorating areas, or to undertake such of the aforesaid activities or other feasible community activities as may be suitably employed to achieve the objectives of such a program.
- D. The Authority's "area of operation" (as defined in the LCRA Law) is the City of Kansas City, Missouri ("City").
- E. In carrying out its responsibilities under the LCRA Law the Authority has, from time-to-time, recommended that the City Council adopt, and the City Council has adopted, various urban renewal and/or redevelopment plans (together referred to as "Urban Renewal Plans").
- F. The Authority expects to continue to recommend that the city adopt and/or amend Urban Renewal Plans necessary to the redevelopment of blighted and insanitary areas of the City.
- G. The LCRA Law, Section 99.320 (20) and (21), requires Urban Renewal Plans to "...be in compliance with a workable program."

- H. The Authority has adopted this Workable Program, pursuant to which it intends to judge future Urban Renewal Plans and any proposed amendments to existing Urban Renewal Plans.
- I. The City, by Committee Substitute for Resolution No. 971268, adopted October 30, 1997, approved The Kansas City Missouri FOCUS Plan (“FOCUS”) to guide the development and growth of the City, including but not limited to the economic development of the City.
- J. The Authority has reviewed FOCUS and intends that this Workable Program, to the extent permitted by the LCRA Law, be consistent with FOCUS, and as the Authority implements this Workable Program, it intends to do so in a manner consistent with FOCUS.
- K. Capitalized terms used in this Workable Program shall have the meanings indicated. Other terms used shall have the meanings found in the LCRA Law.

THE WORKABLE PROGRAM

This Workable Program, as initially adopted and as amended from time to time by the Authority, shall include such components as are deemed necessary or desirable to achieve the purposes and goals of the Authority.

1.0 Impact of LCRA Benefits on development.

- 1.1 All urban renewal and redevelopment plans (together referred to as “Urban Renewal Plans”) shall provide that the Authority shall not grant to any person (“Applicant”) any of the benefits (“LCRA Benefits”) the Authority has the power to grant under the LCRA Law unless the Authority shall have first determined whether the project proposed by the Applicant (“Project”), for which the Applicant has applied to the Authority for LCRA Benefits, would be economically viable without the granting of the LCRA Benefits sought by the Applicant. (*Exhibit 1 – Financial Analysis Procedure, Multi-family Affordably Priced Housing*)
- 1.2 Before the Authority considers granting LCRA Benefits under an Urban Renewal Plan adopted pursuant to the LCRA Law, the Applicant shall first submit an application (“Application”) that shall include analysis of the Project as required by this Workable Program. The Urban Renewal Plans shall require that each Application include a Project budget and sufficient financial information to enable the Authority to determine whether the Project would not be economically viable without the granting of the LCRA Benefits sought by the Applicant. If the requested LCRA Benefit is tax abatement, the applicant will outline how the abatement will benefit the project and specify the term and level requested.
- 1.3 Applications shall include commitments from the private sector evidencing private financing for the Project, in the form of private lender commitments and/or commitments for private equity participation (“Private Commitments”).

The applicant shall specifically describe the project financing gap, with and without LCRA Benefit. The Private Commitments shall be submitted as part of the Application in a form approved by the Authority and must include a complete development budget, including all funding sources. A development schedule shall be provided prior to approval of tax abatement for incorporation in the Redevelopment Contract.

- 1.4 Except as otherwise provided in this Workable Program, LCRA Benefits shall be granted to the Applicant for a Project only to the extent the Authority deems the LCRA Benefits necessary in order to fill a Gap in Financing and to make the Project financially feasible. For the purpose of this Workable Program, a “Gap in Financing” shall exist to the extent that there is a difference between the total development cost of the Project and the amount of the Private Commitment secured by the Applicant. The Authority may, in its discretion, grant LCRA Benefits to eliminate all or part of the Gap in Financing.
- 1.5 To ascertain Gap in Financing, the LCRA or qualified third party, will utilize an accepted financial analysis (internal rate of return or other appropriate basis for project viability determination with and without LCRA Benefits). The LCRA will conduct an in-house financial analysis for the following projects:
 - (a) Residential development of less than twenty-five (25) units; and
 - (b) Commercial development costs totaling less than \$1.5 million.

No financial analysis will be conducted for single family rehabilitation and in-fill single family construction.

- 1.6 The Authority will not consider an Application for LCRA Benefits if an Applicant has already commenced construction/rehabilitation of a Project at the time an Applicant submits its Application to the Authority and before obtaining the Authority’s approval, except that: (a) the Authority may consider an Application for LCRA Benefits after an Applicant has commenced mitigation measures (environmental control/structural stabilization or other similar site work) if such measures are necessary to avoid additional expense that would otherwise result from a delay in mitigation while the Authority's decision is pending; or (b) the Authority may consider an Application for LCRA Benefits after an Applicant has commenced construction/rehabilitation of a Project if the Applicant initially chose not to seek LCRA Benefits for the Project but discovered the existence of significant site conditions (environmental or other material defect) during the course of such work that would prevent the Applicant from completing the Project without LCRA Benefits due to increased costs. The Applicant shall provide to the Authority written justification or any such other related information requested by the Authority before the Authority will consider an Application under this Section. Should the Authority decide to consider such an Application, the Authority may reject or approve the Application in accordance with the LCRA Law, this Workable Program and the Workable Program Rules.

- 2.0 **Compliance with FOCUS.** The Authority shall review the Application and compare the proposed Project with FOCUS to determine whether the Project is consistent with the purposes and goals of FOCUS, and LCRA Benefits shall be granted only if the Authority finds the project to be consistent with the purposes and goals of FOCUS.
- 3.0 **Assuring the Realization of Public Benefits.**
- 3.1 Urban Renewal Plans, and redevelopment agreements (“Redevelopment Contracts”) entered into between the Authority and Applicants for Projects to be developed pursuant to an Urban Renewal Plan, shall require that during the life of any LCRA Benefits granted by the Authority to an Applicant, the Authority shall monitor the Project to assure that the City realizes the benefits to its tax and employment bases and physical improvements (“Public Benefits”) of the Project promised by the Applicant when the LCRA Benefits were granted.
- 3.2 Urban Renewal Plans and Redevelopment Contracts shall provide that in the event the city does not, in the opinion of the Authority, realize the Public Benefits, then the Applicant shall be obligated to pay to the authority a sum (“Liquidated Public Benefit”) equal to the value of the LCRA Benefits, which were realized by the recipient of those benefits.
- 3.3 Urban Renewal Plans and Redevelopment Contracts shall also provide that if the Applicant shall demonstrate to the satisfaction of the Authority that the Public Benefits have not been realized due to unforeseen economic events, then the Authority may waive repayment of the Liquidated Public Benefits.
- 3.4 Examples of unrealized Public Benefit may include, but are not limited to, re-lighting of property, reduction of market value initiated by owner developer, and change of use resulting in decreased value.
- 4.0 **Minority Business Enterprises/Women’s Business Enterprises.** Urban Renewal Plans and Redevelopment Contracts shall require Applicants to comply with ordinances of the City that relate to minority business enterprises and women’s business enterprises.
- 5.0 **Equal Employment Opportunity.** Urban Renewal Plan and Redevelopment Contracts shall require Applicants and their subcontractors to provide equal employment opportunity.
- 6.0 **Americans With Disabilities Act.** Urban Renewal Plans and Redevelopment Contracts shall require Applicants and their subcontractors to comply with the Americans with Disabilities Act.
- 7.0 **Rules.** The Board of Commissioners of the Authority may, from time to time, adopt and amend rules (“Workable Program Rules”) governing the implementation of this Workable Program.

RULES FOR THE IMPLEMENTATION
OF
THE WORKABLE PROGRAM
OF
LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY OF KANSAS CITY, MISSOURI

RECITALS

- A. The Land Clearance for Redevelopment Authority of Kansas City, Missouri (“Authority”), by Resolution No. 10-10-00 adopted October 4, 2000, adopted a Workable Program as permitted by the Missouri Land Clearance for Redevelopment Law, RSMo, 99.300 through 99.660.
- B. Section 8.0 of the Workable Program authorized the Board of Commissioners of the Authority (“Board”) to adopt and promulgate rules to govern implementation of the Workable Program.
- C. These Rules have been adopted and promulgated by the Board pursuant to Section 7.0 of the Workable Program by Resolution No. 10-9-00 adopted October 4, 2000.
- D. Capitalized terms shall have the same meaning as they have in the Workable Program. Other terms shall have the same meaning as they have in the LCRA Law.

1. FOCUS Themes and Principles.

Each Application for LCRA Benefits that may be granted by the Authority shall be evaluated by the Authority to determine whether the proposed Project is consistent with the fourteen (14) major themes and statements of philosophy set forth in FOCUS, with special attention to whether the Project:

- Reaffirms and revitalizes the Urban Core
- Advances and encourages Suburban Development
- Strengthens neighborhoods
- Ensures environmental stewardship
- Develops jobs for the future
- Targets financial investments strategically

To ensure compliance with FOCUS, a copy of the Project Application will be forwarded to the City Planning and Development Department at least 30 days prior to LCRA hearing.

2. Historic Preservation

- (a) Each Project shall be evaluated to determine whether that Project promotes the rehabilitation and preservation of historic residential, commercial and industrial structures.
- (b) Each Application shall show whether the Project is to be located within an area with existing public infrastructure or whether significant replacement or new public infrastructure will be required.
- (c) Each application shall state whether the success of the proposed Project can be enhanced by combining the LCRA Benefits with other public incentives, and if so, what benefits and from what public source.
- (d) Each Application shall state whether the proposed Project will include rehabilitation of Kansas City Registered Historic designated properties.

3. City Framework Plan

Each Application shall show whether the proposed Project is located within one (or more) of the nine (9) Development Priority Zones identified in FOCUS.

4. Environmental Stewardship

- (a) Each Application shall describe the environmental impacts of the proposed Project, including whether the proposed Project will include:
 - i. The remediation of brownfields or other environmentally contaminated sites
 - ii. The judicious use and wise management of energy and natural resources

5. Financial Analysis

- (a) Each Application shall be reviewed within an analytical framework approved by the Board that permits the Board and the Authority staff to evaluate the return on the investment of the LCRA Benefits in the proposed Project. This framework may include an internal rate of return (IRR) calculation, or debt coverage ratio (DCR) or City fiscal model or other analysis acceptable to the Authority.

- (b) The proposed outlay of the LCRA Benefits shall be evaluated by the same standard that a reasonable person would apply to a personal or business investment, and LCRA Benefits shall be granted only if the Board concludes that such LCRA Benefits are reasonable and appropriate in light of the Public Benefits which the granting of the LCRA Benefits are intended to produce.
- (c) The performance of approved Projects shall be monitored by the Authority in accordance with the Workable Program to determine whether the Public Benefits that justified the grant of LCRA Benefits are being realized. The maintenance of tax abatement should be based on the completion of the proposed development and achievement of anticipated increased property value. Once the abatement term has commenced, any decrease in the market value of the development property as established by the County Assessor as a result of the owner/developer's action maybe considered a factor by LCRA in determining whether the project has failed to achieve the Public Benefits approved by LCRA when the LCRA Benefits were granted.
- (d) The Authority may develop or adopt a Community Impact Statement that must be completed by the Applicant as part of the Application, the purpose of which will be to provide useful data to enable the Authority to evaluate the proposed Project, and which shall include an economic impact analysis and a strategic analysis to determine to what extent the requested LCRA Benefits and the proposed Project are consistent with the fourteen (14) principles of FOCUS and the seven (7) FOCUS Strategic and Comprehensive Plans.
- (e) Each Applicant shall be required to pay for the preparation of a fiscal impact analysis in accordance with 5(a) above by the staff of the Authority or by another party selected by the Authority. The fiscal impact analysis may include, but need not be limited to, an evaluation of the direct and indirect private and public investment in the proposed Project, the financing methods and structure for the proposed Project (including sources of projected revenue to fund the Public Benefits), the potential for the proposed Project through LCRA Benefits for tax exemption or abatement savings and the generation of additional revenue, an analysis of any lost opportunity costs, and a cost/benefit analysis of the Project as a whole (including the impact on jurisdictions other than the City from the relocation of economic activities).
- (f) The Workable Program shall apply also when a single developer proposes a multi-building project that is either contiguous or

proximate to another project owned and developed by the same developer or related developer. Proximity shall be defined as being located within the same existing or proposed Urban Renewal Area (URA.) (This policy became effective 1/24/05.) The Applicant must inform LCRA of other projects of that applicant or any affiliate within or proximate to the proposed development site.

6. Coordination and Cooperation

- (a) The staff of the Authority shall coordinate the review and analysis of Applications and the evaluation of proposed and approved Projects with similar efforts undertaken by the staffs of the City and other governmental agencies. The City's Finance Department shall be given the opportunity to review the applicant's request for tax abatement and any financial analysis, including a "but for" analysis, conducted by LCRA or third-party, as part of the City's project plan review. The project application and financial analysis shall be given to the City Finance Department a minimum of 30 days before a redevelopment project in an existing Urban Renewal Area is submitted for tax abatement consideration by the LCRA Board and, if appropriate, a minimum of 30 days before a new Plan or Plan Amendment is brought before RCC or before the LCRA Board, whichever is first.
- (b) In considering whether to grant LCRA Benefits to an Applicant, the Authority will give due consideration to the actions of the City and other governmental agencies in granting or denying requests by the Applicant for other public incentives or benefits. An incentive overlay map of the plan/project area will be included in the Project Plan to determine if there is an overlap in incentives for the area.

EXHIBIT 1
The Workable Program

Memorandum

To: Board of Commissioners, LCRA
CC: Jeffrey Kaczmarek, President, EDC
From: Joseph F. Egan, Executive Director, LCRA
Date: 11/03/2006
Re: Financial Analysis Procedure, Multi-family Affordably Priced Housing

1. MHDC 2013 forms used for submission of development and operating costs.
2. Staff does cost reasonableness review. (see attached standards)
3. Compare operating proforma with and without tax abatement.
4. Assuming all key cost are within range, tax abatement will be granted if debt coverage ratio is less than 1.15 without tax abatement.
5. If developer includes a deferred developer fee as equity to be paid by cash flow, initial cash on cash return should be no greater than 8%.
6. This policy is applicable to properties in which rents do not exceed MHDC guidelines for LIHTCs (attached)

Residential (Multi-family) Development Cost Standards

<u>Item</u>	<u>Standard</u>
Development:	
Acquisition (building)	\$22.5K to \$27.5K per unit
Hard (construction) costs – rehab	\$139-\$147 of leasable sq. ft. (assume 75%-80% of gross)
Hard (construction) costs – new	\$122 per leasable sq. ft.
Soft (design, dev fees, legal, etc.)	\$35K to \$50K per unit
Architect Fees (design & supv)	5%-8% of construction cost
Builder's Profit	8% of construction budget
Builder's Overhead	2% of construction budget
General Requirements	6% of construction budget
Developer Fee	8%-15%* of total replacement costs

* Developer fee includes developer overhead and consultant fees

Operating:

Income increase P/A	3% market rate; 2% affordable
Expense increase P/A	3% all
Vacancy at stabilized rent	5%-7%
Property tax PUPA	\$500
Insurance PUPA	\$200
Replacement reserve PUPA	\$300
Management fee	\$1,500 p/m or 6% of rents collected, whichever is greater
Operations/Maintenance PUPA	\$3,100
Acceptable DCR	1.15 to 1.25

Other – Rental Limits:

MHDC published rents by unit size per 60% median income guidelines

Budget Analysis

Alexandria Apartments

Development: 55 units, elevator bldg, 31,163 leasable space

Actual	Standard	Evaluation
Acquisition.	\$20-25K per unit	\$18,182
Hard costs	\$139-147 psf	\$4,331,650-4,581,000
Construction contract	N/A	N/A
Soft costs	\$35-50K per unit	\$34,398
Architect fee	5-8% constr contract	4.10%
Builder's profit	8% constr contract	8%
Builder's overhead	2% constr contract	2%
General requirements	6% constr contract	6%
Developer fee	8-15% repl cost	13.75%
Operating per annum		
Management fee	>\$1500pm/6% rents	\$1,500 pm
Opns & Maint.	\$3,100 PUPA	\$2,779 PUPA
RE taxes (abated)	\$500 PUPA	\$127
Insurance	\$200 PUPA	\$236
Replacement resv	\$300 PUPA	\$300
Other oper costs:		
Audit/Ptnrshp serv	(HUD required audit-reasonable)	
Utilities	(Owner pays cooking gas, common area elec, water/sewer, trash- reasonable)	
Administration		

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY
of KANSAS CITY, MISSOURI

AFFIRMATIVE ACTION POLICY

The procedures outlined below are designed to provide maximum opportunities for Minority Business Enterprises (“MBE”) and Women Business Enterprises (“WBE”) to bid and participate on projects carried out by redevelopers approved by the Land Clearance for Redevelopment Authority of Kansas City, Missouri (the “LCRA”).

These procedures have been prepared in an effort to encourage redevelopers and general contractors to use MBE/WBE businesses. The LCRA will bring its goals for MBE/WBE business participation to the attention of redevelopers and contractors early on in the development and construction process so that MBE/WBE businesses will have an opportunity to submit bids.

The LCRA has the following goals* for MBE and WBE participation when the professional services budget and construction services budget exceed the amounts set forth in the definition of a contract as defined in Kansas City, Missouri Code of Ordinances, Chapter 38, Article II, Sections 38-84.

Minority Classification	Construction	Professional Service	Other Services	Materials and Supplies
Black American	9%	8%	13%	9%
Hispanic American	5%	3%	3%	3%
Native American/Asian American	1%	2%	2%	%
White Women	7%	8%	10%	9%

* NOTE: These are default goals; alternative utilization goals may be set for individual projects.

Step 1 – Preliminary Conference

Within a reasonable time after the LCRA has identified a potential redeveloper, the LCRA will schedule a preliminary conference, which will be an overall informational review of the proposed project and the LCRA’s policies and procedures, including the LCRA’s Affirmative Action Policy.

The LCRA will provide to the redeveloper a packet of information and forms to acquaint the redeveloper with the LCRA’s Affirmative Action Policy. The LCRA’s failure to provide the LCRA’s Affirmative Action Policy, however, shall not affect the redeveloper’s obligation to submit and follow an Affirmative Action Plan (as defined below).

Equal Opportunity Requirements

1. Before the LCRA Board of Commissioners (the "LCRA Board") selects a redeveloper for the proposed project, each redeveloper is required to complete an Affirmative Action Plan (the "Affirmative Action Plan") and a Letter of Intent (the "Letter of Intent") and submit them to the LCRA for review. The Affirmative Action Plan is to be completed based upon the information available to the redeveloper at the time of its completion.
2. Pre-Award Commitments. It is the responsibility of the redeveloper to inform the LCRA, in writing, of any pre-award commitments to professional service providers, contractors or suppliers.
 - a. In all projects where more than two thirds (2/3) of commitments to either professional services providers or construction services providers, including the value of self-performed work have been established and the MBE/WBE goals have not been met, the Redeveloper shall:
 - (i) issue a written, verified commitment to the LCRA that states Redeveloper will use best faith efforts to meet the MBE/WBE goals (see LCRA Board Resolution No. 4-01-08 contained in this packet);
 - (ii) issue a written, verified commitment to the LCRA that states Redeveloper will use best faith efforts to meet the Construction Employment Program goals (see LCRA Board Resolution No. 5-01-09 contained in this packet); and
 - (ii) submit a completed Redeveloper Affirmative Action Plan for approval by the LCRA staff.
 - b. In all projects where prior to the approval of the LCRA application, the Redeveloper has committed to either professional services providers or construction services providers, including the value of self-performed work, that results in a mathematical impossibility for the Redeveloper to achieve the MBE/WBE goals, the Redeveloper's application shall be administratively denied by the LCRA staff. The redeveloper may appeal the decision with a letter to the LCRA Board of Commissioners outlining specific reasons why the MBE/WBE participation levels should be waived.
3. The redeveloper is required to disclose to the LCRA, in writing, any pre-award commitments to contractors or suppliers. No more than one-third (1/3) of total subcontract dollars shall be pre-awarded. In the event the redeveloper has pre-awarded more than one-third (1/3) of total subcontract dollars, the LCRA Board shall recommend appropriate action by the redeveloper to ensure compliance with the Affirmative Action Plan.

4. The redeveloper's Affirmative Action Information Packet will include the following materials and forms:
 - a. Letter from the LCRA Executive Director
 - b. Redeveloper's Affirmative Action Plan
 - c. Letter of Intent Form
 - d. Pre-Award Commitments
 - e. LCRA Board Resolution No. 4-01-08
 - f. Good Faith Effort Statement
 - g. General Contractor's Affirmative Action Information Packet

Step II – Developer Submission for Board Approval of Redevelopment Plan

1. Prior to LCRA approval of contract with the selected redeveloper for the proposed project, the redeveloper shall submit all affirmative action documents for staff review and for the Director of Human Relations to establish MBE/WBE Utilization Goals or apply the Default Goals for the Redevelopment Project or Public Improvement.
2. The LCRA staff will report on the redeveloper's Affirmative Action Plan and Letter of Intent at or before the time the LCRA Board considers and approves a Redevelopment Contract with the redeveloper for the proposed project. The Letter of Intent will explain the steps the redeveloper intends to achieve the LCRA's goals for MBE/WBE and minority/women construction workforce participation. The redeveloper's Affirmative Action Plan shall identify MBE/WBE participants in the pre-construction phase of the project and the areas of MBE/WBE participation.

Step III – General Contractor Selection

1. When advised by the redeveloper that a general contractor has been selected, the LCRA staff will meet with the redeveloper and general contractor to explain the LCRA's Affirmative Action requirements. This meeting should occur as early as possible in the LCRA approval process.
2. At the meeting with the redeveloper and the general contractor, the general contractor will be given a packet of information and forms to be filled out. The LCRA staff will acquaint the general contractor with the information contained in the packet, which includes the following:
 - a. General Contractor's Affirmative Action Plan
 - b. Subcontractor's Affirmative Action Plan
 - c. MBE/WBE Reporting System
 - d. Bid Procedure
 - e. Good Faith Effort Statement
 - f. MBE/WBE Resource Agencies
 - g. LCRA Board Resolution No. 4-01-08

3. The general contractor, as he/she identifies subcontractors, should update the Affirmative Action Plan for LCRA review. All subcontractors and suppliers whose bids are \$20,000 or more must submit a Subcontractor's Affirmative Action Plan to the LCRA.
4. General contractors must submit a list of subcontractors (MBE/WBE Reporting System form) to the LCRA.

Step IV – Redevelopment Project Approvals and Implementation of Affirmative Action Plan

1. Prior to LCRA Board approval of awarding development rights within a LCRA redevelopment area, the LCRA Board will receive a written statement detailing the current status of the redeveloper's and general contractor's Affirmative Action Plans, the level of participation accomplished in the project, and what steps are envisioned or will be required to make a good faith effort to accomplish the project's Affirmative Action Plans.

Step V – Pre-Construction Conference

1. Within a reasonable time before construction begins, the redeveloper and contractor will meet with LCRA staff to finalize their Affirmative Action Plans.

Step VI – Monitoring

1. During the construction of the project, the LCRA staff, or its contracted designee as set forth below, and the redeveloper will monitor the project to ensure the Affirmative Action Plan goals are being attained or, in the absence of achieving the goals, a Good Faith Effort is made to achieve the goals. The LCRA shall receive monthly reports from the redeveloper on the progress of the project's affirmative action goals and be advised in this matter as the LCRA deems appropriate. By submitting such reports to the LCRA, the redeveloper represents that the information contained therein is accurate and fully describes the redeveloper's progress toward fulfilling the LCRA's affirmative action goals under the Affirmative Action Plan. The LCRA shall rely on the redeveloper's monthly report in determining whether the Affirmative Action Plan is being properly implemented. The LCRA may at any reasonable time review and inspect the redeveloper's records to verify information contained in the redeveloper's annual report.
2. Upon the LCRA's issuance of a Certificate of Completion, the LCRA or its contracted designee shall no longer monitor the project.

Step VII - Damages Clause

Because the amount of harm caused to MBE's and WBE's by the Redeveloper not exerting good faith efforts to meet the Utilization Goals set forth herein is uncertain, if not impossible, to determine, the Redeveloper agrees to pay to the LCRA liquidated damages, and not as a penalty, an amount equal to the total amount of dollars for Professional and/or Construction services that MBE's or WBE's would have otherwise received had the Redeveloper attained the respective Utilization Goals ("Liquidated Damages"). In the event that the Redeveloper fails to exert good faith efforts to meet the Utilization Goals for minority/women construction workforce in the determination and sole discretion of the LCRA, the LCRA may refuse to grant incentives for the project.

In addition to any Liquidated Damages, Redeveloper shall be liable to the LCRA for any and all actual fees and expenses, including reasonable attorney's fees, incurred by LCRA in investigating and finding whether the Redeveloper has exerted good faith efforts to meet the Utilization Goals. Recovery of such administrative expenses may be invoked at the sole discretion of the LCRA Board of Commissioners ("Administrative Damages").

To illustrate the application of this damages provision, please refer to the example below:

Example

1. Pursuant to the implementation of Redevelopment Project A ("Project A"), a Redeveloper spends a total of \$100,000 for construction services. Such amount is paid exclusively to contractors, subcontractors and assignees, located within the Kansas City Metropolitan Area.
2. A Redeveloper utilized MBEs at a rate of 2% and WBEs at a rate of 1% for construction services in the development of Project A. Thus, the Redeveloper paid \$2,000 to MBEs and \$1,000 to WBEs for such construction services.
3. The Utilization Goals established for Project A for the utilization of MBEs and WBEs in construction services is 9% and 7%, respectively and such Utilization Goals were set forth in a Utilization Plan approved by the Human Relations Department.
4. The LCRA finds that the Redeveloper did not exercise good faith efforts to meet the Utilization Goals for the utilization of MBEs and WBEs in construction services for the development of Project A. The Administrative Damages associated with such finding is, for example, \$5,000.
5. The additional amount that MBEs would have otherwise received had the Utilization Goals been met would be an amount equal to: the Utilization Goal of 9% minus the 2% actually attained of the total amount of \$100,000 spent. Thus, the Redeveloper would have spent an additional \$7,000 with MBEs. The additional amount

WBEs would have otherwise received had the Utilization Goals been met would be an amount equal to: the Utilization Goal of 7% minus the 1% actually attained of the total amount of \$100,000 spent. Thus, the Redeveloper would have spent an additional \$6,000 with WBEs.

6. Pursuant to the damages provision of this Policy, the Redeveloper may be obligated to pay to the LCRA Administrative Damages in an amount of \$5,000 (the cost associated with the LCRA finding); plus Liquidated Damages in the amount of \$13,000 (\$7,000 (the amount MBEs would have otherwise received had the Utilization Goals been met) plus \$6,000 (the amount WBEs would have otherwise received had the Utilization Goals been met) for an aggregate amount of \$18,000 in Administrative Damages and Liquidated Damages.

RESOLUTION NO. 4-01-08

RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI APPROVING UPDATE TO AFFIRMATIVE ACTION POLICY.

WHEREAS, the Board of Commissioners of the Land Clearance for Redevelopment Authority of Kansas City, Missouri (“Authority”) adopted its Affirmative Action Policy on August 30, 1978, as amended from time to time (the “Affirmative Action Policy”);

WHEREAS, Affirmative Action Policy advises redevelopers and their general contractors that they are strongly encouraged to avoid situations where a substantial portion of the subcontracted and self performed work is awarded before the redeveloper and/or general contractor has made a serious attempt to secure interest and prices from Minority Business Enterprises and Women Business Enterprises (“MBE/WBE”) in the area;

WHEREAS, the Authority desires to update its goals for MBE/WBE business participation in order to assure MBE/WBE businesses receive a more equitable involvement and share of construction, as well as professional and consultant services contract and subcontract work resulting from Authority projects; and

WHEREAS, it is the policy of the Authority for all of its projects to require redevelopers and their contractors to make a good faith effort to accomplish the affirmative action goals of the Authority. It is the obligation and responsibility of the selected redeveloper to perform in a good faith effort throughout the redevelopment process. A good faith effort is deemed to be those actions, including: advertising in periodicals, making contacts with minority and women’s trade associations and business development organizations, and other outreach activities, which may be necessary in order to accomplish, at a minimum, the Authority’s goals, as shown in the attached Exhibit A, for the participation, directly or by joint venture arrangements, of minority and women business enterprises in the professional and consultant services, as well as in the construction activities resulting from Authority projects.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Land Clearance for Redevelopment Authority of Kansas City, Missouri, as follows:

1. The Authority shall advise potential redevelopers that as a condition to entering into a contract for Authority redevelopment plans or projects, the redeveloper will be required to submit and follow an Affirmative Action Plan.
2. Potential redevelopers shall be advised of this Policy by the Authority staff at the earliest possible time and no later than the Authority’s selection of the redeveloper; the failure to communicate the Affirmative Action

Policy, however, shall not affect the redeveloper's obligation to submit and follow an Affirmative Action Plan.

3. The Authority reserves the right to examine the potential redeveloper's pre-award commitments in terms of Affirmative Action objectives and goals.
4. In all projects where prior to the approval of the Authority application, the Redeveloper has committed to either professional services providers or construction services providers, including the value of self-performed work, that results in a mathematical impossibility for the Redeveloper to achieve the MBE/WBE goals, the Redeveloper's application shall be administratively denied by the Authority staff. The redeveloper may appeal the decision with a letter to the Authority Board of Commissioners outlining specific reasons why the MBE/WBE participation levels should be waived.
5. All general contractors shall request that their potential subcontractors submit a "Subcontractor's Affirmative Action Plan." These plans shall be reviewed by the Authority staff before a contractual agreement is signed between the general contractor and his subcontractor.
6. The Authority approves and establishes the goals attached as Exhibit A for: (1) MBE and WBE participation in professional and consultant services; and (2) MBE and WBE participation in project construction activity for all redevelopment projects.
7. The Authority approves and establishes construction workforce goals for all construction projects greater than \$324,000, adjusted annually in accordance with the CPI at 15% minority construction labor hours and 7% women construction labor hours based on the total number of construction labor hours per project.
8. The obligation to accomplish the Authority's goals is that of the redeveloper. The redeveloper shall report to the Authority the affirmative action accomplishments on a monthly basis from the date the Authority approves a contract with the redeveloper until Authority approval of a Certificate of Completion for each redevelopment project.
9. The Authority will work with the City of Kansas City to certify compliance of all affirmative action plans and to assist the Authority in implementing its affirmative action policy. The cost related to this process shall be the obligation of the selected redeveloper and shall be recognized as reimbursable costs within each redevelopment project or area.

10. These policies do not relieve the redeveloper or any other party participating in a Authority project of its obligations to comply with any other local, state, or federal law or regulation. If federal funds are involved and/or other agencies are monitoring affirmative action goals and compliance, the Authority reserves the right to delegate to others, or suspend its affirmative action procedures.

APPROVED this 23rd day of April, 2008.

APPROVED:

/s/
R. Michael Duffy, Chairman

ATTEST

/s/
Joseph F. Egan, Secretary

Exhibit A

(to Resolution 4-01-08)

Minority Classification	Construction	Professional Service	Other Services	Materials and Supplies
Black American	9%	8%	13%	9%
Hispanic American	5%	3%	3%	3%
Native American/Asian American	1%	2%	2%	%
White Women	7%	8%	10%	9%

NOTE: These are default goals; alternative utilization goals may be set for individual projects.

RESOLUTION NO. 5-01-09

RESOLUTION OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI (“AUTHORITY”) AMENDING THE AUTHORITY’S AFFIRMATIVE ACTION POLICY TO ESTABLISH A CONSTRUCTION EMPLOYMENT PROGRAM THAT SETS GOALS FOR UTILIZATION OF MINORITY, WOMEN AND RESIDENT WORKERS ON CONSTRUCTION PROJECTS, ESTABLISHING AN EFFECTIVE DATE, AND AUTHORIZING ACTIONS RELATED THERETO.

WHEREAS, on August 30, 1978, the Authority’s Board of Commissioners adopted the Authority’s Affirmative Action Policy, as amended from time to time (“Affirmative Action Policy”).

WHEREAS, on April 26, 2007, the City Council of the City of Kansas City, Missouri adopted Committee Substitute for Ordinance No. 070504, As Amended, which established a construction employment program that sets goals for utilization of minority, women and resident workers on construction projects (“City Workforce Ordinance”).

WHEREAS, the City Workforce Ordinance became effective July 1, 2007.

WHEREAS, on April 23, 2008, the Authority’s Board of Commissioners amended the Affirmative Action Policy by its adoption of Resolution 4-01-08 (“Amendment”), which, among other things, updated the Authority’s goals for MBE/WBE business participation and Section 7 of the Amendment approved and established construction workforce goals.

WHEREAS, as requested by the City, the Authority desires to further amend the Affirmative Action Policy by modifying Section 7 of the Amendment to include the terms and conditions of the construction employment program (“Construction Employment Program”) in substantially the same form as the City Workforce Ordinance. The amendment to the Authority’s construction workforce goals shall be referred to as the “LCRA Workforce Policy”.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Land Clearance for Redevelopment Authority of Kansas City, Missouri, as follows:

1. The Authority’s Affirmative Action Policy is amended to include the terms and conditions of the Construction Employment Program in substantially the same form as the City Workforce Ordinance and as more specifically set forth as the LCRA Workforce Policy in this Resolution. The Authority shall adhere to the requirements set forth herein and shall contractually require its Redevelopers to do the following:

- (1) meet or exert good faith efforts to meet the goals established by the Human Relations Department of the City and, if necessary, any adjustments required by the Construction Workforce Board,
- (2) comply or exert good faith efforts to comply with the Construction Employment Goals approved by the Human Relations Department of the City and the Authority,
- (3) comply with all reporting requirements set forth in this LCRA Workforce Policy, and
- (4) contractually require each Construction Contractor to comply with this LCRA Workforce Policy and to enforce such contractual provisions.

2. Definitions applicable to the LCRA Workforce Policy.

Apprentice means person of legal working age who has entered into a program for training and employment to learn a skilled construction trade.

Apprenticeship Program means a program approved by the Bureau of Apprenticeship Training providing for no less than 2,000 hours of reasonably continuous employment and for participation in an approved schedule of work experience through employment, which shall be supplemented by a minimum of 144 hours per year of related instruction.

Authority means the Land Clearance for Redevelopment Authority of Kansas City, Missouri.

City means the City of Kansas City, Missouri.

City Council means the governing body of the City.

Compliance Officer means the Authority's staff member assigned to monitor a Construction Contractor's compliance with this LCRA Workforce Policy.

Construction Contract means a contract between a Redeveloper and a Construction Contractor for construction of a Construction Project estimated by the Authority prior to solicitation of construction bids as requiring more than 800 construction labor hours and with an estimated cost that exceeds \$324,000.00 (as may be adjusted annually by the City) for the construction, reconstruction, improvement, enlargement or alteration of any fixed work for which the Authority has granted tax abatement, or in which any portion of the Construction Contract is paid for out of City funds, tax increment financing, or funds administered by the City or the Authority pursuant to a federal or state grant, including, but not limited to any building, road, street, public utility or other public facility, regardless of the Construction Contract's dollar

amount, and regardless further of whether the Authority is a signatory to the Construction Contract. For instances where the Authority is acting as a developer, a Construction Contract shall also mean a contract between the Authority and a Construction Contractor for construction of a Construction Project.

Construction Contractor means any individual, partnership, corporation, association or other entity, or any combination of such entities, who or which, regardless of the number of employees, enters into a Construction Contract with a Redeveloper for construction of a Construction Project as part of a Redevelopment Project.

Construction Employment Goals means the percentages of construction labor hours to be performed by minority and women workers for a Construction Contractor on all construction projects of that Construction Contractor throughout the Kansas City Metropolitan Statistical Area, on a particular Construction Contract, during the construction time period of that Construction Contract unless otherwise waived by the Authority.

Construction Employment Program means the program established by the City by the Workforce Ordinance regarding the recruitment, training, mentoring and retention of employees, including apprentices and journeymen, on Construction Projects.

Construction Hours Affidavit means a statement by a Construction Contractor, verified under oath, setting forth the Construction Contractors intent to meet or exceed the Construction Employment Goals while performing a Construction Contract.

Construction Labor Hour means a sixty minute period of time devoted by a worker, employed by a contractor or subcontractor, performing labor on a Construction Project job site; or, preparing, fabricating or painting materials or equipment to be used or incorporated on a Construction Project job site.

Construction Project means any project performed by a Construction Contractor in the Kansas City Metropolitan Statistical Area.

Construction Workforce Board means a board created by the City in accordance with the City Workforce Ordinance.

Director means the Director of the Human Relations Department of the City of Kansas City, Missouri or his/her designee, or the person within the City Manager's Office that is assigned to perform the tasks delegated to the Director of the Human Relations Department.

Equal Opportunity Clause means a statement prohibiting discrimination on construction projects based on race, color, sexual orientation, age, gender, national origin, religion, mental or physical disability as proscribed in the Kansas City Code of Ordinances, Chapter 38, Article III, Section 38-132.

Fixed Work means any permanent building or structure to be reconstructed, improved, enlarged or altered under a Construction Contract.

Good Faith Waiver means a waiver that is granted by the Authority based upon a showing by a Construction Contractor that despite undertaking in good faith the actions outlined in this Construction Employment Program, the Construction Contractor was unable to achieve the Minimum Employment Goals.

Incentive Construction Employment Goal means an aspirational goal for company-wide employment of minorities and women intended to encourage Construction Contractors to invest additional money and resources to hire and retain minorities and women on their workforce in order to achieve participation percentages well in excess of the Minimum Employment goals and the percentage of minorities and women generally available in the workforce by providing public recognition upon the completion of a Construction Contract, to the Construction Contractor who achieves such goal.

Journey person means one who has completed an apprenticeship in a trade or craft and is recognized in the particular trade or craft as a journey person.

Labor Union means any organization which exists, in whole or in part, for the purpose, of collective bargaining; for dealing with employers concerning grievances, terms or conditions of employment; or, for other mutual aid or protection of workers in relation to employment.

LCRA Workforce Policy means the requirements for construction employment under applicable Construction Contracts adopted by the Authority that are consistent with and are in substantially the form of the City's Construction Employment Program.

Metropolitan Statistical Area (MSA) means the seven-county Kansas City metropolitan statistical area as defined by the United States Department of Labor. A map of the MSA is attached to this resolution as Exhibit A.

Minimum Construction Employment Goal means a minimum goal for company-wide employment of minorities and women that a Construction Contractor is expected to endeavor to meet by undertaking in good faith the actions outlined in this Construction Employment Program.

Minority means a person who is a citizen or lawful permanent resident of the United States and who is:

- (1) African American, a person whose origins are in any of the Black racial groups of Africa, and who has historically and consistently identified himself or herself as being such a person; or
- (2) Hispanic American and/or Latino American, a person whose origins are in Mexico, Central or South America, or any of the Spanish speaking islands

of the Caribbean, (for example Cuba and Puerto Rico) regardless of race, and who has historically and consistently identified himself or herself as being such a person; or

- (3) Asian and/or Pacific Islander American, a person whose origins are in any of the original peoples of the Far East, Southeast Asia, the islands of the Pacific or the Northern Marianas, or the Indian Subcontinent, and who has historically and consistently identified himself or herself as being such a person; or
- (4) Native American, a person having origins in any of the original peoples of North America, and who maintain tribal affiliation or demonstrate at least one-quarter descent from such groups, and who has historically and consistently identified himself or herself as being such a person.

Redeveloper means any individual, firm, partnership, corporation, company, association, joint stock association, public or private agency, limited liability company, or other entity that has entered into a Redevelopment Contract for the purpose of undertaking a Redevelopment Project that requires Redeveloper to enter into a Construction Contract with a Construction Contractor as part of such Redevelopment Project.

Redevelopment Contract means a contract between the Authority and Redeveloper pursuant to which a Redeveloper undertakes a Redevelopment Project and a Redeveloper enters into a Construction Contract for construction of a Construction Project as part of a Redevelopment Project.

Redevelopment Project means a project as described in a Redevelopment Contract to be undertaken by a Redeveloper and that requires a Redeveloper to enter into a Construction Contract.

Resident means an individual residing or domiciled within the City.

Woman means a person who is a citizen or lawful permanent resident of the United States and who is a female.

Workforce Preparedness Program means a program approved or certified by the City that actively seeks the participation of minorities and women and provides them with the skills and resources necessary to enter a program for training and employment to learn a skilled construction trade.

3. Purpose of the LCRA Workforce Policy.

(a) The City established the Construction Employment Program for the following purposes:

- (1) Increase recruitment, training, and retention of residents, minorities and women on Construction Contracts and throughout the Kansas City MSA; and
- (2) Prescribe policies and procedures to implement the City's objective in accordance with the Workforce Ordinance; and
- (3) Promote Workforce Preparedness Programs and Apprenticeship Programs to increase the number of skilled minority and women employees in the construction trades with the goal of increasing minority participation in Apprenticeship Programs to 30% by 2011 and female participation in Apprenticeship Programs to 5% by 2011.
- (4) Further the retention of minorities and women in the current workforce by promoting mentoring programs to assist such workers and establishing goals to encourage City Contractors to retain such workers.

(b) The LCRA Workforce Policy shall not be construed as requiring or encouraging a Construction Contractor, or any subcontractor or supplier working in conjunction with the Construction Contractor, to make employment decisions or otherwise alter the terms and conditions of employment based upon race or gender.

(c) The Director may adopt rules and regulations to implement the Construction Employment Program and the Authority is authorized to adopt such rules and regulations as needed.

4. Application of Resolution.

(a) The provisions of this resolution shall apply to all Construction Contracts as defined in this resolution.

(b) The Authority shall adopt any adjustments to the Workforce Ordinance approved by the City Council but only to the extent that any such adjustments are applicable to the Authority.

(c) All Redevelopment Contracts shall require that a Redeveloper include the requirements of the LCRA Workforce Policy in a Construction Contract and that a Redeveloper use good faith efforts to ensure that a Construction Contractor complies with the LCRA Workforce Policy; provided, however, that a Redevelopment Contract that provides exclusively acquisition assistance but that does not provide public financial assistance to a Construction Project shall not be subject to the requirements of the LCRA Workforce Policy.

5. Construction Employment Goals.

(a) Construction Employment Goals, expressed as a percentage of total construction labor hours of a Construction Contractor on all Construction Projects within the Kansas City MSA shall be established by the LCRA Workforce Policy for an initial five-year period, subject to adjustment and renewal by the City Council and the Authority as provided herein. Such goals shall be reviewed annually by the Director in consultation with the Construction Workforce Board and the Director and the Construction Workforce Board shall have the right to recommend to the City Council adjustments as it deems to be in the best interests of the City and its citizenry. The Authority is authorized to adopt any adjusted Construction Employment Goals approved by the City Council as needed.

(b) In establishing the Construction Employment Goals, the City has considered:

- (1) The general population in the City and in the Kansas City Metropolitan Statistical Area (MSA); and
- (2) The general workforce in the City and in the Kansas City Metropolitan Statistical Area (MSA); and
- (3) The availability of minority and women in the workforce in the City and in the Kansas City Metropolitan Statistical Area (MSA); and
- (4) The utilization of minorities and women in the workforce in the City and in the Kansas City Metropolitan Statistical Area (MSA); and
- (5) The projected growth of the Kansas City construction industry; and
- (6) Information from contracting associations, labor organizations, workforce preparedness programs and community groups concerning workforce availability in the commercial marketplace; and
- (7) Any other requirements imposed by federal, state or local laws.

(c) In recommending any adjustments to the Construction Employment Goals, the Director in consultation with the Construction Workforce Board shall consider all of the information described in subsection (b) and any statistical data subsequently gathered regarding the Construction Employment Program.

(d) Construction Employment Goals are established as follows:

- (1) For minorities, an Incentive Construction Employment Goal of 20% and a Minimum Construction Employment Goal of 10%.
- (2) For women, an Incentive Construction Employment Goal of 4% and a Minimum Construction Employment Goal of 2%.

(e) The Construction Employment Goals are not the goals for individual Construction Contracts; they are company-wide goals within the Kansas City MSA for any Construction Contractor performing work on a Construction Contract. Company-wide goals are intended to further the City's and the Authority's interest in promoting greater long term retention of minorities and women. Both goals shall be based upon minorities and women working sufficient hours to qualify for benefits.

(f) The Construction Employment Goals shall be reviewed on an annual basis by the Director in consultation with the Construction Workforce Board. The Director and the Construction Workforce Board shall present an evaluation to the City Council of the Construction Employment Program every year. Annually, the City Council shall review the Director's and Construction Workforce Board's evaluation of the Construction Employment Program and evaluate whether the Program should be amended. Every five years, the City Council shall evaluate whether the Program should be extended or terminated, but failure to do so shall not invalidate the Workforce Ordinance or any contract or solicitation.

(g) A Redeveloper shall be presumed conclusively to be in compliance with this LCRA Workforce Policy if a Redeveloper makes a good-faith effort to meet the Minimum Employment Goals. In the event that Minimum Construction Employment Goals have not been met, the Redeveloper may request a Good Faith Waiver from the Authority. The Authority shall grant a Good Faith Waiver if the Redeveloper can demonstrate that good-faith efforts have been made to achieve the goals. In determining whether a Redeveloper made a good-faith effort to meet the Minimum Employment Goals, the Director shall consider whether the Redeveloper undertook the following actions during the period beginning with the date the Redeveloper received construction bids and ending on the date that the Redeveloper completed the Redevelopment Project:

- (1) For those Redevelopers that have entered into Construction Contracts with Construction Contractors that are not signatories to a collective bargaining agreement with organized labor:
 - a. Requested in writing the assistance of the Compliance Officer and/or the Director with respect to efforts to promote the utilization of, minorities and women in the workforce and acted upon any such recommendations; and
 - b. If a Construction Contractor hires workers in the ordinary course of business, the Compliance Officer, in consultation and cooperation with the Director, shall determine whether the

Construction Contractor advertised in minority or women trade association newsletters and/or minority or women owned media at least 15 calendar days prior to the utilization of any construction services on the Construction Contract, and used terminology that sufficiently describes the work available, the pay scale, the application process, and anything else that one might reasonably be expected to be informed of relevant to the position being advertised; and

- c. If a Construction Contractor hires workers in the ordinary course of business, the Compliance Officer, in consultation and cooperation with the Director, shall determine whether the Construction Contractor maintained copies of each advertisement and a log identifying the publication and date of publication; and
- d. If a Construction Contractor hires workers in the ordinary course of business, the Compliance Officer, in consultation and cooperation with the Director, shall determine whether the Construction Contractor conducted real and substantial recruitment efforts, both oral and written, targeting resident, minority and women community-based organizations, schools with a significant minority student population, and training organizations serving the recruitment area; and
- e. If a Construction Contractor hires workers in the ordinary course of business, the Compliance Officer, in consultation and cooperation with the Director, shall determine whether the Construction Contractor established and maintained and/or obtained from the City or the Authority a current list of resident, minority and women recruitment sources, providing written notifications to the recruitment sources of available employment opportunities, and maintained records of the notices submitted to the organizations and any responses thereto; and
- f. If a Construction Contractor hires workers in the ordinary course of business, the Compliance Officer, in consultation and cooperation with the Director, shall determine whether the Construction Contractor maintained a current file for the time period of the Construction Contract with the name, address, and telephone number of each resident, minority and woman job applicant, the source of the referral, whether or not the person was hired, and in the event that the applicant was not hired, the reason therefore; and
- g. Required by written contract all subcontractors to comply with this provision.

- h. Promoted the retention of minorities and women in its workforce with the goals of achieving sufficient annual hours for minorities and women to qualify for applicable benefits.
- (2) For those Redevelopers that have entered into Construction Contracts with Construction Contractors that are signatories to collective bargaining agreements with organized labor:
 - a. Supported the efforts of the Joint Apprenticeship Training Committee (JATC), a joint effort of Labor Unions and Contractors, or some other Apprenticeship Program, whose purpose is to recruit, train and employ new workers for a full time career in the construction industry. For purposes of this LCRA Workforce Policy, a Construction Contractor's support may include, but is not limited to, financial contributions, providing volunteers, or in-kind services or goods; and
 - b. Requested in writing from each Labor Union representing crafts to be employed by the Construction Contractor that:
 - i. The Labor Union make efforts to promote the utilization of residents of the City, minorities and women in the workforce; and
 - ii. The Labor Union identify any residents of the City, minorities and women in its membership eligible for employment by the Construction Contractor; and
 - iii. the JATC take substantial and real steps to increase the participation of minorities in the union Apprenticeship Programs in the aggregate to 30% by 2011 and encourage other Labor Unions to do the same; and
 - iv. the JATC take substantial and real steps to increase the participation of women in the union Apprenticeship Programs in the aggregate to 5% by 2011 and encourage other Labor Unions to do the same; and
 - v. the JATC partner with workforce preparedness programs, community based organizations, employment referral programs and school-sponsored programs to accomplish these goals; and

- c. Collaborated with Labor Unions in promoting mentoring programs intended to assist minorities and women in increasing retention with the goals of achieving sufficient annual hours to qualify for applicable benefits; and
- d. If a Construction Contractor hires workers in the ordinary course of business, the Compliance Officer, in consultation and cooperation with the Director, shall determine whether the Construction Contractor maintained a current file with the name, address, and telephone number of each resident, minority and woman worker identified by the Labor Union, whether or not the person was hired, and in the event the person was not hired, the reason therefore; and
- e. To the extent that the good-faith effort requirements set forth in this section are in conflict with the procedures implemented by the Construction Contractor in order to comply with a competitive bargaining agreement, the Construction Contractor shall substitute other procedures, as may be approved by the Compliance Officer, in consultation and cooperation with the Director, in writing, in order to accomplish the purpose and intent of this section.

(h) Required by written contract all subcontractors to comply with this provision;
and

(i) Notwithstanding anything contained in this section, if a Good Faith Waiver is required by federal or state or local law, the Compliance Officer, in consultation and cooperation with the Director, shall grant a Good Faith Waiver to a Redeveloper that nonetheless fails to meet: (a) the minority and women employment goals; and (b) the standards set forth in Section 5 of this resolution.

(j) When a Redeveloper files a request for a Good Faith Waiver, the Compliance Officer, in consultation and cooperation with the Director, shall make a recommendation to the Authority as to whether the request should be approved or denied.

6. Incentive Construction Employment Goals.

The Authority is authorized to provide public recognition to a Redeveloper on a Construction Contract that achieve the minority and female Incentive Construction Employment Goals of the Construction Employment Program.

7. Monitoring and Compliance with Construction Employment Program.

(a) At the time a bid is submitted, the Construction Contractor shall submit a Construction Hours Affidavit in a format determined by the Compliance Officer and the Director stating the Construction Contractor's intent to meet or exceed the Minimum

Construction Employment Goals while performing the Construction Contract or request a waiver.

(b) After the Construction Contract has been executed, but before construction begins, the Director may require the selected Construction Contractor to meet with the Compliance Officer for the purpose of discussing providing first opportunity to residents of the City, the Construction Employment Goals for minority and women workers, how the Construction Contractor will endeavor in good faith to meet the Minimum Construction Employment Goals, and any problems that may affect the Construction Contractors ability to employ residents of the City or achieve the Construction Employment Goals.

(c) After completion of work on the Construction Contract but before release of retainage, final acceptance and closeout, the Construction Contractor shall provide to the Compliance Officer and the Director, in a format approved by the Director, the payroll records of the Construction Company and its subcontractors on the Construction Contract, for the economic quarter years spanning the duration of the Construction Contract: (i) the total number of hours of work performed by minorities and women on the Construction Contract and company-wide on all projects in the Kansas City MSA as compared to the total number of hours of work performed by all workers on the Construction Contract and company-wide on all projects in the Kansas City MSA; and (ii) the hours worked per capita by minorities and women as compared to the hours worked per capita by all other workers in the workforce.

(d) All Construction Contractors are expected to comply with all federal laws, including those of the Immigration and Naturalization Service and the Department of Homeland Security. Only those hours performed by workers in compliance with federal law may be counted towards the Construction Employment Goals.

(e) On all Construction Contracts, the Authority and the Director shall have access, at all reasonable times, to all books, papers, records, reports or accounts in possession of or under the control of all Construction Contractors and subcontractors as may be reasonably necessary to ascertain compliance with this LCRA Workforce Policy, and all Construction Contractors and their respective subcontractors shall furnish such further information as may be required of such person within ten working days of the date it is so requested in writing. The Construction Contractor shall require all its subcontractors to comply with the requirements of this subsection.

(f) The Authority, the Compliance Officer, and/or the Director shall be authorized to conduct on-site audits and records inspections of any Construction Contractor and subcontractor without prior notice as may be necessary to ascertain compliance with this Ordinance. The Construction Contractor shall require all its subcontractors to comply with the requirements of this subsection.

(g) The Construction Contractor is required to obtain and retain documentation establishing the residence of record for any person working on a Construction Project.

The documentation must show an address within the City and may be one of the following:

- (1) drivers license or identification card issued by a government or governmental agency with a photograph of the holder; or
- (2) voter registration card; or
- (3) utility bill showing the account holders name and address; or
- (4) valid United States Passport; or
- (5) document falling within any other category that the Compliance Officer and the Director determines sufficiently establishes residency.

(h) Monthly Reporting: The Construction Contractor performing work on a Construction Contract shall submit a Contractor Affirmative Action Monthly Report (CAAMR) to the Authority and the Director by the 15th day of each month through the duration of the Construction Contract. The Contractor Affirmative Action Monthly Report shall state the number of resident, minority and women construction labor hours performed on site per trade, and shall be submitted in a format determined by the Compliance Officer.

8. Equal Employment Standards.

(a) The Redeveloper shall contractually require that all Construction Contracts contain language requiring as a condition thereof that all Construction Contractors will adhere to the Equal Opportunity Clause set forth in the Kansas City Code of City Ordinances, Chapter 38, Article III, Section 38-132. The Equal Opportunity Clause shall include, at a minimum, the following provisions:

- (1) The Construction Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, disability or sexual orientation.
- (2) The Construction Contractor will take affirmative action to ensure that employees are treated fairly during employment without regard to their race, color, religion, sex, national origin, disability or sexual orientation. Such action shall include, but not be limited to the following: Employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- (3) The Construction Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of the nondiscrimination clause.

(b) The Redeveloper shall contractually require that the Construction Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Construction Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, disability or sexual orientation.

(c) The Redeveloper shall contractually require that in the event of the Construction Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, the contract may be canceled, terminated, or suspended in whole or in part and the Construction Contractor may be declared ineligible for further contracts in connection with a Redevelopment Project. A Construction Contractor may appeal any such determination to the Authority.

9. Remedies.

(a) In addition to the remedies set forth in the Redevelopment Contract, if the Compliance Officer, in consultation and cooperation with the Director, shall find after investigation that a Redeveloper has not met the Construction Employment Goals and the Redeveloper has not made a good-faith effort to meet the goals, the Compliance Officer, in consultation and cooperation with the Director, may:

- (1) recommend to the Authority that the Authority not issue a certificate of tax abatement for the Redevelopment Project under the Redevelopment Contract or that the Authority issue a certificate of tax abatement but require the Redeveloper under the Redevelopment Contract to pay payments in lieu of taxes for some period during the ten-year tax abatement period as determined by the Authority in its sole and absolute discretion; and/or
- (2) recommend to the Authority that the Redeveloper be declared ineligible to receive any Construction Contract in connection with a Redevelopment Project for a period of time up to one year.

(b) After due notice given to the Redeveloper, the Authority shall hold a hearing and determine whether the Redeveloper made a good-faith effort to meet the Minimum Employment Construction Goals and to determine the appropriate remedy if the Authority determines that the Redeveloper failed to make a good-faith effort to meet the Minimum Employment Construction Goals. If the Authority determines that the Redeveloper made a good-faith effort to meet the Minimum Employment Construction Goals, then the Authority shall grant a Good Faith Waiver to the Redeveloper.

10. Appeals; Construction Workforce Board.

(a) The City Workforce Ordinance established a Construction Workforce Board to hear appeals. Following a decision by the Authority that a Redeveloper failed to

make a good-faith effort to meet the Construction Employment Goals, a Redeveloper may appeal the Authority's decision to the Construction Workforce Board.

(b) Appeals shall be made to the Construction Workforce Board by filing with the Compliance Officer within ten (10) working days after notice of the Authority's determination, a written request for review by the Construction Workforce Board, stating the grounds of such appeal with specificity. The Compliance Officer shall promptly forward to the Director and to the chairperson and members of the Construction Workforce Board a copy of any appeal.

(c) Failure to file a timely appeal to the Construction Workforce Board shall constitute a waiver of the right of a Redeveloper to appeal the Authority's determination and such person shall be estopped to deny the validity of any order, recommendation, determination or action taken by the Authority which could have been timely appealed and shall have been deemed to have exhausted all administrative remedies under this LCRA Workforce Policy.

(d) The Construction Workforce Board shall have authority to require that a party first make a written submission of its appeal prior to permitting a hearing and may summarily dispose of those appeals that it determines to be frivolous and without merit.

(e) After receiving an appeal from the Redeveloper, the Construction Workforce Board, shall set a date upon which a hearing shall be held by the Construction Workforce Board and shall notify all parties of the date thereof. The notice of hearing shall be served upon the parties at least ten (10) calendar days prior to the date of the hearing. A copy of the Authority's determination shall be attached to each such notice. A hearing shall be set no later than twenty-one (21) calendar days after receipt of the request for appeal to the Construction Workforce Board.

(f) The hearing shall be conducted under rules adopted by the Construction Workforce Board. The Construction Workforce Board may subpoena witnesses, compel their attendance, administer oaths, take the testimony of persons under oath, and require the production for examination any books, papers or other materials relating to any matter under investigation or in question before the Construction Workforce Board.

(g) The Construction Workforce Board shall cause all proceedings before it to be either audio recorded or held before a certified court reporter.

(h) The Construction Workforce Board shall have authority to affirm, modify or reverse the determination of the Authority with respect to whether good-faith efforts were made to meet the Minimum Construction Employment Goals.

(i) The determination of the Construction Workforce Board with respect to good-faith efforts, shall be a final determination and the Authority and the Redeveloper shall agree, pursuant to the Redevelopment Contract, that the decision of the Construction Workforce Board shall be binding upon the Authority and the Redeveloper; provided,

EXHIBIT A

Map of Kansas City Metropolitan Statistical Area



LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY OF KANSAS CITY, MISSOURI

REDEVELOPER'S AFFIRMATIVE ACTION
INFORMATION PACKET

TO: All LCRA Applicants/Redevelopers
 FROM: Joseph F. Egan, Executive Director
 RE: Affirmative Action Process

Enclosed in this packet you will find information and materials needed to satisfy the affirmative action policy of the Land Clearance for Redevelopment Authority of Kansas City, Missouri (the "LCRA"). The LCRA has established the following goals* for Minority Business Enterprise (MBE) and Women's Business Enterprise (WBE) participation on approved redevelopment projects:

Minority Classification	Construction	Professional Service	Other Services	Materials and Supplies
Black American	9%	8%	13%	9%
Hispanic American	5%	3%	3%	3%
Native American/Asian American	1%	2%	2%	%
White Women	7%	8%	10%	9%

* NOTE: These are default goals; alternative utilization goals may be set for individual projects.

The LCRA's goals for MBE/WBE business participation apply to professional services and consultants, as well as construction contractors and suppliers. In order for a business to be considered MBE or WBE, it must: (a) be at least 51% owned and independently controlled by one or more minorities or women; (b) either have its principal place of business in the Kansas City metropolitan area or have made substantial efforts to become a market participant in the Kansas City metropolitan area; and (c) meet the size standards imposed by federal regulations (13 CFR 121.201). Minorities are generally defined as persons who are: Native American, Black, Hispanic, and Asian. It is sufficient if the overall goal for minorities has been met without regard to the specific "mix" of minorities.

All MBE/WBE businesses must be certified by the City of Kansas City Human Relations Department.

The LCRA's goals for minority and women construction trade participation are 15% minority participation and 7% women participation based on the percentages of construction labor hours on each construction project with a budget greater than \$324,000.00, adjusted annually in accordance with the Consumer Price Index.

All redevelopers, general contractors and subcontractors shall be required to take affirmative actions to accomplish these minimum goals and shall be required to cooperate with the LCRA in preparing their affirmative action plans and certifying the levels of employment accomplished under that plan.

All redevelopers, prior to approval of their redevelopment contract by the LCRA, are required to complete and submit to this agency an Affirmative Action Plan (form enclosed), as well as a Letter of Intent (form enclosed). Also, redevelopers must inform this agency, in writing, of any pre-award commitments or suppliers.

Based on this information and a proposed timetable of actions to accomplish the intent of the LCRA's affirmative action policy, the LCRA and the redeveloper will develop a preliminary schedule for affirmative action performance and reviews.

Before LCRA approval of any redevelopment contract, the redeveloper and general contractor will meet with the LCRA staff to discuss their affirmative action plan and monitoring of the project. During the planning, design and construction of the project, the LCRA, or its agents, will monitor the project to ensure that affirmative action goals are being attained, or that a good faith effort is made to achieve the goals. It is the responsibility of the selected redeveloper to implement the LCRA's affirmative action policy goals for professional services and consultants, to provide this information to the general contractors, and to assist the general contractor in maintaining MBE/WBE participation and minority and women construction employment participation during the construction process.

The information requested in the enclosed materials is required for all projects assisted by the LCRA. Please do not hesitate to contact this office if you have any questions or need assistance in any way. We are looking forward to working with you on this project.

Nothing in this Affirmative Action Information Packet, or in the Affirmative Action Policy of the LCRA relieves redevelopers and/or other parties participating in LCRA projects from any other local, state or federal laws or regulations. It is the obligation of all redevelopers and/or other parties participating in LCRA projects to comply with all such laws and regulations; and, failure to do so may be deemed by the LCRA Board of Commissioners to be a default of the parties' contractual obligation to the LCRA.

Enclosures

REDEVELOPER'S AFFIRMATIVE ACTION PLAN
FOR

PROJECT _____
LOCATION _____
TYPE OF
DEVELOPMENT _____

1. General Information

A. Name of
Company _____
Address _____
Phone
Number _____

B. Estimated Cost of Development
\$ _____

C. The owner(s) and/or principal(s) of our company are:

Name _____
Address _____
Name _____
Telephone No. _____

Name _____
Address _____
Name _____
Telephone No. _____

Name _____
Address _____
Name _____
Telephone No. _____

D. The Equal Employment Opportunity Officer for our company is:

Name _____
Phone Number _____

E. The following MBE and WBE firms are anticipated to participate as members of the development team:

<u>Name</u>	<u>Team Member Service Provided</u>	<u>MBE or WBE</u>	<u>Amount to be paid For Services Provided</u>
1.			
2.			
3.			
4.			

F. We agree to provide vexation letters from each listed MBE and WBE evidencing that it has agreed to execute a formal agreement for the work and indicate the price agreed for such work.

G. If the project is a multi-phased project, it may be unrealistic to attempt to outline MBE and WBE participants for future phases at this time. If so, what steps will the redeveloper take to maximize MBE and WBE participation for the development team for those future project phases?

H. In conjunction with this project, we propose to contract with the following types of suppliers of goods and services after construction:

I. We agree to contact the agencies provided on the Resource List for technical assistance in obtaining qualified MBE and WBE firms and expect _____% of the subcontracts to go to MBE and WBE firms.

J. MBE and WBE Participation Requirements: On this project we will insure that our contractor will comply with the LCRA's Affirmative Action guidelines which require participation by MBE and WBE subcontractors.

K. Minority and Women Workforce Requirements: On this project we will insure that our contractor will comply with the LCRA's Affirmative Action guidelines which require participation by minorities and women in the construction labor force.

2. Policy

- A. We, the undersigned, are committed to non-discrimination in employment. Any person that applies for employment with this project or our company will not be discriminated against because of race, color, creed, sex or national origin.
- B. The policies and practices of the undersigned are to recruit and to hire employees and/or contractors, subcontractors and suppliers without discrimination and to treat them equally with respect to compensation and opportunities for advancement, including upgrading, promotion, transfer and bidding and contracting negotiations. We realize the inequities associated with employment, upgrading, contracting and subcontracting for minorities and women, and will direct our efforts to correcting any deficiencies to the maximum extent possible. The same will be required of our contractors, subcontractors and/or suppliers.

3. Affirmative Actions

- A. We will undertake a program of affirmative action to make known that equal employment and contract bidding opportunities are available on the basis of individual merit and to actively encourage minority and women participation.
- B. We will seek qualified minority and women applicants/contractors/subcontractors for all job categories and will make particular efforts to increase minority and women group representation in occupations at the higher levels of skill and responsibility. All sources of employment shall be used and made aware that we are equal employment opportunity employers. All MBE and WBE Resource Agencies and companies certified¹ by Kansas City, Missouri Human Relations Department (816/513-1836) will be notified by registered mail, fax logs or verified e-mail, with a follow-up contact. Documentation of this contact will be maintained as a permanent record throughout this project, and copies will be sent to the LCRA office.
- C. We will require timely and approvable submittals of Affirmative Action Programs from all interested contractors/subcontractors who propose to work on this project (and, when requested, from suppliers) and will take whatever steps necessary to insure that non-minority contractors and subcontractors have adequate minority and women representation in their total workforces.

Respectfully submitted,

By _____ Date _____
(Company Executive)

By _____ Date _____
(Company E.O. Officer, if applicable)

¹ Certified companies' contact information may be accessed via the Kansas City, Missouri website (<http://www.kcmo.org>) or by contacting the Human Relations Department at (816) 513-1836.

TO: All Redevelopers
FROM: Joseph F. Egan, Executive Director
RE: "Letter of Intent"

Attached is the form that should be used in submitting your Letter of Intent to the LCRA Board.

The Letter of Intent should outline the following requirement, as well as any other efforts you intend to set forth to meet these requirements:

- (1) The steps the redeveloper will take to maximize MBE/WBE participation in all areas of the project, including professional services, and consulting as well as construction contracting.
- (2) The steps the redeveloper will take to maximize minority and women construction workforce participation on the project.
- (3) It is the redeveloper's responsibility to make sure that the General Contractor sends notice to MBE/WBE resource agencies by registered mail (return receipt requested) inviting bids from their membership. Notice must go out at least two weeks before bids are due.
- (4) Documentation will be submitted to this agency of follow-up telephone calls to the resource agencies or individual contractors.

This letter should be on your letterhead and submitted with the redeveloper's Affirmative Action Plan.

Attachment

Date: _____

Land Clearance for Redevelopment Authority
of Kansas City, Missouri
1100 Walnut, Suite 1700
Kansas City, MO 64106

Attention: Executive Director

Re: Development Area _____
Redevelopment Project _____
Location _____
Construction Cost \$ _____

To Whom It May Concern:

The procedures outlined below are designed to insure that maximum MBE/WBE participation and minority/women construction workforce participation will be present on the above-referenced project.

The estimated timetable and steps we intend to take to insure that MBE/WBE participation will be provided and opportunities to bid on this project will be encouraged:

- 1.
- 2.
- 3.

On this project, we will insure that our general contractor will comply with the LCRA's Affirmative Action guidelines and adhere to the steps we have outlined above.

Respectfully submitted,

(Company Executive)

PRE-AWARD COMMITMENTS

1. It is the responsibility of the redeveloper to inform the LCRA, in writing, of any pre-award commitments to professional service providers, contractors or suppliers.

a. In all projects where more than two thirds (2/3) of commitments to either professional services providers or construction services providers, including the value of self-performed work have been established and the MBE/WBE goals have not been met, the Redeveloper shall:

- (i) issue a written, verified commitment to the LCRA that states Redeveloper will use best faith efforts to meet the MBE/WBE goals (see LCRA Board Resolution No. 4-__-08-07 contained in this packet); and
- (ii) submit a completed Redeveloper Affirmative Action Plan for approval by the LCRA staff.

b. In all projects where prior to the approval of the LCRA application, the Redeveloper has committed to either professional services providers or construction services providers, including the value of self-performed work, that results in a mathematical impossibility for the Redeveloper to achieve the MBE/WBE goals, the Redeveloper's application shall be administratively denied by the LCRA staff.

GOOD FAITH EFFORT STATEMENT

It is the policy of the LCRA for all of its projects to require redevelopers and their contractors to make a good faith effort to accomplish the affirmative action goals of the Commission. It is the obligation and responsibility of the selected redeveloper to perform in a good faith effort throughout the development process. A good faith effort is deemed to be those actions, including advertising in periodicals, making contacts with minority and women's trade associations and business development organizations, and other outreach activities, which may be necessary in order to accomplish, at a minimum, the LCRA's following goals* for the participation, directly or by joint venture arrangements, of minority and women business enterprises in the professional and consultant services, as well as in the construction activities resulting from LCRA projects:

Minority Classification	Construction	Professional Service	Other Services	Materials and Supplies
Black American	9%	8%	13%	9%
Hispanic American	5%	3%	3%	3%
Native American/Asian American	1%	2%	2%	%
White Women	7%	8%	10%	9%

* NOTE: These are default goals; alternative utilization goals may be set for individual projects.

Statement of Agreement

I, _____, and the firm of _____, do hereby agree to make a "good faith effort" to implement the LCRA Affirmative Action policy for the _____ project.

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY
OF KANSAS CITY, MISSOURI

GENERAL CONTRACTOR'S AFFIRMATIVE ACTION
INFORMATION PACKET

GENERAL CONTRACTOR'S AFFIRMATIVE ACTION PLAN
FOR

PROJECT _____
LOCATION _____
TYPE OF _____
DEVELOPMENT _____

1. General Contractor

A. Name _____
Address _____
Telephone Number _____
E.O. Officer/Contact Person _____

2. Developer

A. Name _____
Address _____
Telephone Number _____

3. General Information

A. Name of Company _____
Address _____
Phone _____
Number _____

B. The owner(s) and/or principal(s) of our company are:

Name _____
Address _____
City, State, Zip _____
Position _____
Ethnic Origin _____
Ownership _____ %

Name _____
Address _____
City, State, Zip _____
Position _____
Ethnic Origin _____
Ownership _____ %

Name _____
 Address _____
 City, State, Zip _____
 Position _____
 Ethnic Origin _____
 Ownership _____ %

C. Estimated Construction Dates:
 Start _____ Completion _____

D. Total number of persons employed by the company: _____

E. Manpower utilized on this project will be in the following areas:

TRADES & SKILLS % OF TOTAL	TOTAL		MINORITIES	
	Male	Female	Male	Female
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

F. In conjunction with this project, we propose to subcontract the following types of work:

G. We agree to contact the agencies provided on the Resource List for technical assistance in obtaining qualified MBE and WBE contractors and expect _____% of the subcontract amount to go to MBE contracts, and _____% of the subcontract amount to go to WBE contractors.

H. On this project we will comply with the LCRA's Affirmative Action guidelines that require participation by MBE and WBE subcontractors.

I. We will take the following affirmative actions to insure that MBE/WBE subcontractors and/or suppliers are provided opportunities to negotiate and/or bid the project:

4. Employment Goals

- A. We will seek qualified minority subcontractors for all job categories and will make particular efforts to increase minority group representation in occupations at the higher levels of skill and responsibility. All sources of employment shall be used and made aware that we are equal employment opportunity employers. All Minority Resource Agencies will be notified by registered mail, with a follow-up contact. Documentation of this contact will be maintained as a permanent record throughout this project, and copies will be sent to the LCRA office.
- B. We agree that placements, promotions and transfer activities at all levels will be made to insure that full consideration has been given to qualified minority and women employees. Our present minority employees are identified on Appendix A.
- C. We will require timely and approvable submittals of Letters of Certification from the City of Kansas City, Missouri regarding Affirmative Action Plans from all subcontractors who propose to work on this project.

5. Failure to Follow Goals

- A. The undersigned understands that the failure or refusal to follow through with implementation of these Affirmative Action goals that are herein stated may be deemed by the LCRA as a total breach of our contractual obligations with the Commission and that this contract, or other contracts, may be terminated, cancelled or suspended in whole or in part.

Respectfully submitted,

By _____
Company Executive

Date _____

APPENDIX A

MINORITY EMPLOYEES

List the name, address, trade, classification, date hired, sex and ethnic origin for each minority person employed by your company.

Name & Address Trade Classification Date Hired Sex Ethnic Origin

SUBCONTRACTOR'S AFFIRMATIVE ACTION PLAN
FOR

PROJECT _____
LOCATION _____
TYPE OF
DEVELOPMENT _____

1. Subcontractor

A. Name _____
Address _____
Telephone Number _____
E.O. Officer/Contact Person _____

2. Redeveloper

A. Name _____
Address _____
Telephone Number _____

3. General Information

A. Name of
Company _____
Address _____
Phone
Number _____

B. The owner(s) and/or principal(s) of our company are:

Name _____
Address _____
City, State, Zip _____
Position _____
Ethnic Origin _____
Ownership _____ %

Name _____
Address _____
City, State, Zip _____
Position _____
Ethnic Origin _____
Ownership _____ %

Name _____
 Address _____
 City, State, Zip _____
 Position _____
 Ethnic Origin _____
 Ownership _____ %

C. Estimated Construction Dates:
 Start _____ Completion _____

D. Total number of persons employed by the
 company: _____

E. Manpower utilized on this project will be in the following areas:

TRADES & SKILLS % OF TOTAL	TOTAL		MINORITIES	
	Male	Female	Male	Female
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

F. We, the undersigned, will take whatever steps are necessary to ensure that our total workforce has adequate qualified minority representation. We will utilize any means or methods to correct any deficiencies in minority employment, placement, promotion and contracting/subcontracting services.

G. We agree that placements, promotions and transfer activities at all levels will be made to insure that full consideration has been given to create opportunities for qualified minority and women group employees. Our present minority employees are identified on Appendix A.

H. The undersigned understands that the failure or refusal to follow through with implementation of these Affirmative Action goals that are herein stated may be deemed by the LCRA as a total breach of our contractual obligations with the Commission and that this contract, or other contracts, may be terminated, cancelled or suspended in whole or in part.

Respectfully submitted,

By _____ Date _____
 Company Executive

MBE/WBE REPORTING SYSTEM

List of Subcontractors

Project _____

Total Dollar Amount of construction costs: \$ _____

The following are subcontractors being utilized on our project:

<u>Name & Address</u>	<u>Scope of Work</u>	<u>Amount of Contract</u>	<u>MBE/WBE</u>
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Total MBE/WBE subcontract amount: \$ _____

Total MBE/WBE percentage: _____%

BID PROCEDURE

The redeveloper will inform the LCRA, in writing, of any pre-award commitments to contractors or suppliers. No more than 1/3 of subcontract work should be pre-awarded (see LCRA Board Resolution No. 94-55).

The General Contractor will send notices to one or more of the MBE/WBE resource agencies (list included in this packet) by registered mail (return receipt requested), fax log, or verified e-mail inviting bids from their membership as well as companies certified by the City of Kansas City, Missouri (www.kcmo.org). This agency should be provided copies of the registered mail receipts and notices. Notices must go out at least two weeks before bids are due.

The General Contractor should submit two (2) sets of plans and specifications to the MBE/WBE resource agencies for their membership to review.

This agency should be provided documentation of follow-up telephone calls to the resource agencies or to individual contractors after notices have been sent.

The LCRA reserves the right to review any and all bids before final selection by the General Contractor if the affirmative action goals of the LCRA are not likely to be accomplished.

MBE/WBE RESOURCE AGENCIES

The following list is designed to assist you in your efforts to contact minority and women business organizations and publications. However, this list may not include all minority and women business organizations and publications available. For further information please contact the Human Relations Department at (816) 513-1836.

CHAMBERS OF COMMERCE

Black Chamber of Commerce
A. Marie Young
1501 E 18th St
Kansas City, Missouri 64108
Phone: 816-474-9901
Fax: 816-842-1748
blkchkc@swbell.net

Hispanic Chamber of Commerce
Contact: Miguel Meneses
1600 Baltimore
Kansas City, Missouri 64106
Phone: 816-472-6767
info@hispanicchamberofkc.com

Asian Chamber of Commerce
Young Sexton
8645 College Blvd. #100
Overland Park, KS 66210
Phone: 913-451-9200
Fax: 913.451.9680
young.sexton@winggatetravel.com

African Chamber of Commerce
John Akin
P O Box 412632
Kansas City, Missouri 64141
Phone: 816-753-3219
Fax: 816-531-2271

Women's Chamber of Commerce
Contact: Melissa Bynum
727 Minnesota
Kansas City, Kansas 66117
Phone: 913-371-3165
Fax: 913-371-3732
www.kckchamber.com

CONSTRUCTION LABOR RECRUITMENT SOURCES

Black Chamber of Commerce
A. Marie Young
1501 East 18th Street
Kansas City, MO 64108
816.474.9901
816.842.1748
info@bcckc.org

The Builders Association
Ken Washington
105 West 12th Avenue
North Kansas City, MO 64116
816.471.0880 x. 339
816.471.5566
kwashington@buildersassociation.com

Youth Build
Victor Martin
3027 Cherry
Kansas City, MO 64108
816.921.4327
816.448.2943 (facsimile)
vmartin@swopecommunitybuilders.org

(Please fax and e-mail)
Full Employment Council
Clyde McQueen
Shelly Estell
1740 Paseo
Kansas City, MO 64106
816.471.2330
816.471.0132 (facsimile)
cmcqueen@feckc.org
sestell@feckc.org

Mid America Minority Business Council
Lonnie Scott
777 Admiral Boulevard
Kansas City, MO 64106
816.221.4200 x. 105
816.221.4212
Lonnie.scott@mambdc.org

Urban League of Kansas City
Melva Brownlee
1710 Paseo
Kansas City, MO 64108
816.471.0550 x. 13
816.471.3064
janette@ulkc.org

Women's Employment Network
Arnetta Marshall
720 Oak, Suite 200
Kansas City, MO 64106-1628
816.822.8083 x. 105
816.841.0262
amarshall@kcwen.org