

AGENDA

**PORT KC
BOARD OF COMMISSIONERS MEETING
MONDAY, March 25, 2024
3:00 P.M.
110 Berkley Plaza, Kansas City, MO 64120**

Join Zoom Meeting

<https://us02web.zoom.us/j/87338376942?pwd=RGJPCmhl5N3JsTnNrc3h0YUlxVW85Zz09>

1. **Call to Order** Chairperson Hermann
2. **Consideration of February 26, 2024 Minutes** Chairperson Hermann
3. **Consideration of Development Committee Referrals**Commissioner Terrebonne

Public testimony will be taken at the discretion of the Chairperson. Any public testimony will be limited to three (3) minutes per person, unless extended at the discretion of the Chairperson.

A. Inducing the Issuance of Bonds – CORE II

B. Authorizing the Issuance of Bonds – Meadowlake

4. **Consideration of Port KC Staff Referrals**.....Jon Stephens

A separate public testimony period will be provided at the conclusion of the Board's consideration of each of the listed items, i.e., prior to any vote. Public testimony is limited to three (3) minutes per person, per item, unless extended at the discretion of the Chairperson.

A. Authorizing the imposition of a 1% sales/use tax and property tax, subject to voter approval – PID 6

B. Authorizing the imposition of a 1% sales/use tax – PID 8

C. Authorizing the imposition of a 1% sales/use tax, subject to voter approval – PID 9

D. Authorizing the imposition of a 1% sales/use tax – PID 10

E. Expressing Port KC's intent to utilize a Design-Build project delivery model for the MRT connector

F. Consenting to the Assignment and Assumption of Various Documents in Connection with the Transfer of the Cocina 47 Project

G. Authorizing an amendment to the Master Ground Lease with Option to Purchase Agreement – NorthPoint Development at 49 Crossing

5. **Informational Presentation:** Connectivity StudyJon Stephens
6. **Executive/ Staff Reports**Jon Stephens
7. **Other Business**
8. **CLOSED SESSION:** A closed session may be held pursuant to Section 610.021, RSMo, subsections (1), (2), (3), (11), (12), (13) and/or (14), as applicable. Reference to the relevant subsection(s) warranting closure will be publicly identified in accordance with Section 610.022, RSMo.
9. **Adjourn** Chairperson Hermann

PORT KC
BOARD OF COMMISSIONERS MEETING MINUTES
MONDAY, February 26, 2024
3:00 P.M.
110 Berkley Plaza, Kansas City, MO 64120

Join Zoom Meeting

<https://us02web.zoom.us/j/87338376942?pwd=RGJPcHl5N3JsTnNrc3h0YUlxVW85Zz09>

Meeting Attendance

Board:

Commissioner Claire Terrebonne (*Acting Chairperson for meeting.*)
Commissioner Katheryn Shields
Commissioner Matt Oates
Commissioner Morgan Said
Commissioner Yolanda Cargile

Not in Attendance:

Chairperson Deb Hermann

Guests:

Aaron Carson - Copaken Brooks, Jon Copaken – Copaken Brooks, and Stan Meyers

Staff:

Aaron Plump, Brian Rabineau, Chase Johnson, Jocelyn Knight, Joe Lohman, Joe Perry, Jolene Mead, Maitland Mehlhaff, Mary Barnes, Megan Elder, Meredith Hoenes, Rhonda Miller, and Richard Grenville

1. Call to Order Chairperson Hermann

The meeting was called to order at 3:10 p.m.

2. Consideration of January 22, 2024 Minutes Chairperson Hermann

Commissioner Oates made a motion to approve the January 22, 2024, meeting minutes as written.

Commissioner Cargile seconded the motion.

Roll call vote was taken:

Commissioner Claire Terrebonne, Aye
Commissioner Katheryn Shields, Aye
Commissioner Matt Oates, Aye
Commissioner Morgan Said, Aye

Commissioner Yolanda Cargile, Aye

[There were no questions or comments from the Board, Staff, or Public.]

The motion passed unanimously.

3. Consideration of Development Committee ReferralsCommissioner Terrebonne

Public testimony will be taken at the discretion of the Chairperson. Any public testimony will be limited to three (3) minutes per person, unless extended at the discretion of the Chairperson.

- A. Amending Resolution No. 2023-10-02 to update the name of the development entity – HMBC Logistics

Commissioner Said made a motion that the Board of Commissioners amend Resolution 2023-10-02, as presented.

Commissioner Cargile seconded the motion.

Roll call vote was taken:

- Commissioner Claire Terrebonne, Aye
- Commissioner Katheryn Shields, Aye
- Commissioner Matt Oates, Aye
- Commissioner Morgan Said, Aye
- Commissioner Yolanda Cargile, Aye

[There were no questions or comments from the Board, Staff, or Public.]

The motion passed unanimously.

- B. Amending Resolution No. 2023-03-03 to increase the maximum bond issuance to \$55 Million and to update the name of the development entity – 1818 Main

Commissioner Oates made a motion that the Board of Commissioners amend Resolution 2023-03-03 as presented.

Commissioner Said seconded the motion.

Roll call vote was taken:

- Commissioner Claire Terrebonne, Aye
- Commissioner Katheryn Shields, Aye
- Commissioner Matt Oates, Aye
- Commissioner Morgan Said, Aye

Commissioner Yolanda Cargile, Aye

[There were questions and comments from the Board, Comments from Staff, and no questions or comments from the Public.]

The motion passed unanimously.

- C. Authorizing an amendment to the Blue River Commerce Center Project – Phase IV to add additional acreage to the development site – Northpoint

Commissioner Oates made a motion that the Board of Commissioners adopt a Resolution authorizing the President and CEO to execute such documents as are necessary to amend the Blue River Commerce Center Project – Phase IV, as presented.

Commissioner Said seconded the motion.

Roll call vote was taken:

- Commissioner Claire Terrebonne, Aye
Commissioner Katheryn Shields, Aye
Commissioner Matt Oates, Aye
Commissioner Morgan Said, Aye
Commissioner Yolanda Cargile, Aye

[There were no questions or comments from the Board, Public, or Staff.]

The motion passed unanimously.

4. Consideration of Port KC Staff Referrals.....Jon Stephens

A separate public testimony period will be provided at the conclusion of the Board's consideration of each of the listed items, i.e., prior to any vote. Public testimony is limited to three (3) minutes per person, per item, unless extended at the discretion of the Chairperson.

- A. Approving FY24 Budget Amendment No. 2

Commissioner Oates made a motion that the Board of Commissioners adopt a Resolution approving the FY24 Budge Amendment #2, as presented.

Commissioner Shields seconded the motion.

Roll call vote was taken:

- Commissioner Claire Terrebonne, Aye
Commissioner Katheryn Shields, Aye
Commissioner Matt Oates, Aye

Commissioner Morgan Said, Aye
Commissioner Yolanda Cargile, Aye

[There were questions from the Board, however no questions or comments from the Public or Staff.]

The motion passed unanimously.

B. Approving Maintenance Ambassador Service Contract with Downtown Community Improvement District

Commissioner Shields made a motion that the Board of Commissioners adopt a Resolution authorizing Port KC to enter a contract for Maintenance Ambassador Services at Berkley Riverfront with Downtown Community Improvement District in a form deemed acceptable to the President and CEO.

Commissioners Oates seconded the motion.

Roll call vote was taken:

Commissioner Claire Terrebonne, Aye
Commissioner Katheryn Shields, Aye
Commissioner Matt Oates, Aye
Commissioner Morgan Said, Aye
Commissioner Yolanda Cargile, Aye

[There were comments from the Board, however no questions or comments from the Public or Staff.]

The motion passed unanimously.

C. Approving proposal for Phase II Environmental Site Assessment (ESA) by Burns & McDonnell at MRT

Commissioner Shields made a motion that the Board of Commissioners adopt a Resolution authorizing the President & CEO's execution of Burns & McDonnell's proposal for Phase II Environmental Site Assessment.

Commissioner Said seconded the motion.

Roll call vote was taken:

Commissioner Claire Terrebonne, Aye
Commissioner Katheryn Shields, Aye
Commissioner Matt Oates, *Abstain*
Commissioner Morgan Said, Aye

Commissioner Yolanda Cargile, Aye

[There were no questions from the Board, Staff, or Public.]

The motion passed four to one.

- D. Approving a \$150,000 contribution to the City of Kansas City, Missouri for lighting repairs to the Bond Bridge

Commissioner Shields made a motion that the Board approve a \$150,000 contribution to the City of Kansas City, Missouri for lighting repairs to the Bond Bridge.

Commissioner Said seconded the motion.

Roll call vote was taken:

Commissioner Claire Terrebonne, Aye
 Commissioner Katheryn Shields, Aye
 Commissioner Matt Oates, Aye
 Commissioner Morgan Said, Aye
 Commissioner Yolanda Cargile, Aye

[There were questions and comments from Board and Staff.]

The motion passed unanimously.

- 5. **Executive/ Staff Reports**Jon Stephens
- 6. **Other Business**
- 7. **CLOSED SESSION:** A closed session may be held pursuant to Section 610.021, RSMo, subsections (1), (2), (3), (11), (12), (13) and/or (14), as applicable. Reference to the relevant subsection(s) warranting closure will be publicly identified in accordance with Section 610.022, RSMo.
- 8. **Adjourn** Chairperson Hermann

The meeting was adjourned at 4:06 p.m.

Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Consideration of a Resolution Inducing the Issuance of Bonds – CORE II Apartments.*

Background: *NP Berkley Apartments, LLC, a Northpoint Development affiliated entity (“Developer”), submitted an application to Port KC that requests the issuance of conduit bonds in an amount not to exceed \$42 Million. The project would be located directly north of CORE Apartments at 701 Berkley Plaza, on approximately 2.175 +/- acres of certain real property generally in the Berkley Riverfront neighborhood (“CORE II”). Developer has proposed to develop the property and construct a 150 unit, five story apartment project with retail space, 67 garage parking spaces and 72 surface parking spaces.*

Port KC assistance would include real property tax exemption and sales tax exemption on construction materials. Real property tax exemption would continue for a term of 22 years post completion, at a rate of 75% for years 1-2; 60% for years 3-7; 45% for years 8-12; 25% for years 12-17; and 10% for years 18-22. Personal property tax exemption is not contemplated or included at this time.

A third-party audit of the project was completed on February 5, 2024.

The Developer submitted its Affidavit of Consultation on March 6, 2024.

Current Situation: *Adoption of the Resolution would convey Port KC’s intention to issue its bonds, in one or more series, in an amount not to collectively exceed \$42,000,000. Bond issuance would remain subject to future approval by the Board of Commissioners at a future date.*

Financial Impact: *None. While Port KC anticipates generating revenues in connection with the bond issuances, those issuances will be separately presented to the Board of Commissioners at future dates.*

Recommendation: *Development Committee recommends adoption of the Resolution.*

<p>PROPOSED MOTION: I move the Board of Commissioners adopt a Resolution expressing Port KC’s intent to issue bonds, in one or more series, in an amount not to collectively exceed \$42,000,000.</p>
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Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Approving the issuance of bonds in the maximum principal amount of \$64,000,000 to finance the development of Meadow Lake Apartments.*

Background: *Mission Apartments, LLC, an EPC Real Estate, LLC affiliate, (“Developer”) submitted an application to Port KC that requests the issuance of conduit bonds in an amount not to exceed \$64 Million. Developer has site control of approximately 3.34+/- acres of certain real property generally located North of Meadow Lake Parkway, bounded by 76th St. to the North, State Line to the West, and Terrace St. to the East (“Meadow Lake”). Developer has proposed to develop the property and construct a 213-unit apartment project with 5,000 square feet of commercial space.*

On January 22, 2024, the Board adopted Resolution 2024-01-03 expressing its intent to issue Port KC’s Taxable Revenue Bonds in an amount totaling not more than \$64,000,000. All consultations with the impacted taxing jurisdictions were completed prior to adoption of the bond inducement resolution.

Current Situation: *The Developer is ready to proceed with the project.*

Financial Impact: *Port KC incurs no financial responsibility for acting as a conduit. Repayment of the bonds is the sole responsibility of the Developer and is not guaranteed by Port KC or any other political subdivision of the State of Missouri. The bond amount will not exceed \$64,000,000 without additional authorization from the Board of Commissioners.*

Recommendation: *Development Committee recommends adoption of the Resolution.*

<p>PROPOSED MOTION: I move the Board of Commissioners adopt a Resolution authorizing the issuance of Port KC’s Taxable Revenue Bonds (Meadow Lake Project) in a maximum principal amount of \$64,000,000, and the execution of related documents.</p>
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Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Consideration of a resolution implementing a 1% sales and use tax and a real property tax at Kansas City, Missouri, Port Improvement District No. 6.*

Background: *Port KC has been working toward the establishment of a Port Improvement District located at Berkley Riverfront, i.e., Kansas City, Missouri, Port Improvement District No. 6. The Board previously approved the creation of the PID and all public hearings, publications and legal proceedings were held as required by Chapter 68, RSMo. The Jackson County Circuit Court approved the creation of the PID, a sales and use tax not to exceed one percent (1%), and a real property tax at a rate not to exceed \$0.70 per \$100 of assessed valuation with respect to real property categorized by Jackson County, Missouri as residential, and \$0.48 per \$100 of assessed valuation with respect to real property categorized by Jackson County, Missouri as commercial. The court entered its judgment accordingly on March 8, 2024 (Case No. 2316-CV16267).*

The PID was created to help fund various costs related to the extension of the streetcar system to Berkley Riverfront, and to the extent funds are available, any other capital expenditures located within the boundaries of the PID and not otherwise funded by Kansas City, Missouri Port Improvement District No. 1.

Current Situation: *The resolution will not become effective unless and until approved by the qualified voters through a mail-in ballot election conducted in accordance with Section 68.250, RSMo.*

Financial Impact: *The sales and use tax and real property tax are collectively anticipated to generate funds that will offset Port KC's financial obligations with respect to costs incurred to extend the streetcar system to Berkley Riverfront and fund its ongoing operations and maintenance.*

Recommendation: *Port KC staff recommends adoption of the Resolution.*

<p>PROPOSED MOTION: I move the Board of Commissioners adopt a Resolution imposing a sales and use tax at the maximum rate of 1% and a real property tax at the rate of \$0.70 per \$100 of assessed valuation with respect to residential property, and \$0.48 per \$100 of assessed valuation with respect to commercial property; and instructing the President & CEO to take such steps as are required to cause the required election to proceed.</p>
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Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Consideration of a resolution implementing a 1% sales and use tax at Kansas City, Missouri, Port Improvement District No. 8.*

Background: *Port KC has been working toward the establishment of a Port Improvement District located at W 47th St. and Pennsylvania Avenue, i.e., Kansas City, Missouri, Port Improvement District No. 8. The Board previously approved the creation of the PID and all public hearings, publications and legal proceedings were held as required by Chapter 68, RSMo. The Jackson County Circuit Court approved the creation of the PID and a sales and use tax not to exceed one percent (1%) for a term not to exceed December 1, 2056. The court entered its judgment accordingly on March 8, 2024 (Case No. 2316-CV16280).*

The PID was created to help fund costs related to the installation, maintenance, construction, reconstruction, rehabilitation, replacement and improvement of the building and related infrastructure.

Current Situation: *As the entirety of PID lies within land owned by Port KC, an election to implement the sales and use tax is not required. The tax is implemented by the adoption of a Resolution by the Board of Commissioners.*

Financial Impact: *The sales and use tax is estimated to generate funds that will be used to support redevelopment within the PID, less a percentage retained by Port KC as an administrative fee pursuant to Port KC's adopted PID policies. There is no financial risk to Port KC. In the event the PID generates less funds than are anticipated, Port KC has no obligation to contribute additional funding.*

Recommendation: *Port KC staff recommends adoption of the Resolution.*

<p>PROPOSED MOTION: I move the Board of Commissioners adopt a Resolution imposing a sales and use tax at the maximum rate of 1% for a period ending December 1, 2056.</p>
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Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Consideration of a resolution implementing a 1% sales and use tax at Kansas City, Missouri, Port Improvement District No. 9.*

Background: *Port KC has been working toward the establishment of a Port Improvement District located at W. 47th St. and Pennsylvania Avenue, i.e., Kansas City, Missouri, Port Improvement District No. 9. The Board previously approved the creation of the PID and all public hearings, publications and legal proceedings were held as required by Chapter 68, RSMo. The Jackson County Circuit Court approved the creation of the PID and a sales and use tax not to exceed one percent (1%) for a term not to exceed October 1, 2051. The court entered its judgment accordingly on March 8, 2024 (Case No. 2316-CV16286).*

The PID was created to help fund costs related to the installation, maintenance, construction, reconstruction, rehabilitation, replacement and improvement of the buildings and related infrastructure.

Current Situation: *The resolution will not become effective unless and until approved by the qualified voters through a mail-in ballot election conducted in accordance with Section 68.250, RSMo.*

Financial Impact: *The sales and use tax is estimated to generate funds that will be used to support redevelopment within the PID, less a percentage retained by Port KC as an administrative fee pursuant to Port KC's adopted PID policies. There is no financial risk to Port KC. In the event the PID generates less funds than are anticipated, Port KC has no obligation to contribute additional funding.*

Recommendation: *Port KC staff recommends adoption of the Resolution.*

<p>PROPOSED MOTION: I move the Board of Commissioners adopt a Resolution imposing a sales and use tax at the maximum rate of 1% for a period ending October 1, 2051; and instructing the President & CEO to take such steps as are required to cause the required election to proceed.</p>

Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Consideration of a resolution implementing a 1% sales and use tax at Kansas City, Missouri, Port Improvement District No. 10.*

Background: *Port KC has been working toward the establishment of a Port Improvement District located at Berkley Riverfront, i.e., Kansas City, Missouri, Port Improvement District No. 10. The Board previously approved the creation of the PID and all public hearings, publications and legal proceedings were held as required by Chapter 68, RSMo. The Jackson County Circuit Court approved the creation of the PID and a sales and use tax not to exceed one percent (1%). The court entered its judgment accordingly on March 8, 2024 (Case No. 2316-CV25381).*

The PID was created to help fund costs related to the installation, maintenance, construction, reconstruction, rehabilitation, replacement and improvement of buildings and related infrastructure to be undertaken as part of the continued development of Berkley Riverfront.

Current Situation: *As the entirety of PID lies within land owned by Port KC, an election to implement the sales and use tax is not required. The tax is implemented by the adoption of a Resolution by the Board of Commissioners.*

Financial Impact: *The sales and use tax is estimated to generate funds that will be used to support redevelopment within the PID, less a percentage retained by Port KC as an administrative fee pursuant to Port KC's adopted PID policies. There is no financial risk to Port KC. In the event the PID generates less funds than are anticipated, Port KC has no obligation to contribute additional funding.*

Recommendation: *Port KC staff recommends adoption of the Resolution.*

<p>PROPOSED MOTION: I move the Board of Commissioners adopt a Resolution imposing a sales and use tax at the maximum rate of 1%.</p>

Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Consideration of a resolution expressing Port KC's intent to utilize a progressive design-build procurement model for the design and construction of a road/bridge connector to MRT.*

Background: *Port KC is soliciting entities interested in providing progressive design-build services for the Missouri River Terminal (MRT) Phase 1 Roadway Access Design-Build Project. The project will include roadway/bridge construction from N. Century Avenue to the MRT site.*

Current Situation: *Pursuant to Port KC's Procurement and Authorization Policy, Port KC is to publicly disclose at a regular Board meeting its intent to utilize a design-build method via a resolution to be adopted by the Board.*

Financial Impact: *There is no cost incurred as a result of this Resolution. Any design-build contract to be awarded will be presented to the Board for its consideration at a future meeting.*

Recommendation: *Port KC Staff recommends approval of the Resolution.*

<p>Proposed Motion: I move the Board of Commissioners adopt a Resolution expressing Port KC's intent to utilize a design-build procurement model for the MRT connector.</p>
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Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Consideration of a resolution consenting to the assignment and assumption of various documents in connection with the transfer of the Cocina 47 Project and Series 2023 Bond to a new development entity.*

Background: *On August 22, 2023, Port KC issued its taxable revenue bond (Cocina 47 Project) Series 2023 in an amount not to exceed \$34,000,000 and entered into a sale-leaseback transaction with JH Investors, LLC, a Drake Development affiliated entity (“Developer”). Developer is establishing a new development entity, JH Investors II, LLC, in which it will retain an ownership interest, and wishes to transfer the project to that new entity.*

JH Investors II, LLC would assume the existing agreements/obligations and the bond.

This transaction would not modify the terms of the existing agreements in any manner.

Current Situation: *Port KC’s consent to any assignment and assumption is required by the existing bond agreements.*

Financial Impact: *Port KC incurs no financial responsibility in granting consent.*

Recommendation: *Port KC Staff recommends approval of the Resolution.*

<p>Proposed Motion: I move the Board of Commissioners adopt a Resolution consenting to the assignment and assumption of various documents in connection with the transfer of the Cocina 47 Project and Series 2023 Bond to JH Investors II, LLC.</p>
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Motion Approval Summary
Port KC
Board of Commissioners
March 25, 2024

Title of Proposal: *Consideration of a resolution approving an amendment to the Master Ground Lease with Option to Purchase Agreement – NorthPoint Development at 49 Crossing*

Background: *Port KC and NorthPoint Development, LLC signed a “Master Ground Lease with Option to Purchase Agreement” dated May 1, 2020 (authorized by the Board via Resolution 2020-04-14). Under the terms of that Ground Lease, NorthPoint leases approximately 97.8 acres of developable land at 49 Crossing, so that it can construct multiple commercial/warehousing facilities on a phased basis. The Board previously authorized the issuance of up to \$45,000,000 in bonds for the first building (Resolutions 2019-09-01 and 2022-01-01). NorthPoint is preparing to proceed with development of that first project.*

Current Situation: *The Ground Lease currently grants NorthPoint the right to purchase the real property starting in 2046. NorthPoint would prefer to purchase the land for its first building (approximately 16.93 acres) now and has agreed to pay the price requested by Port KC. This amendment would give it the option to purchase the land on a phased basis, starting this year with its first building. Any land it elects not to purchase would remain under lease, as provided under the terms of the Ground Lease. The amendment would also remove approximately 1.91 acres from the Ground Lease. This is acreage that is being dedicated to the City as public right-of-way and is not developable property that NorthPoint would be obligated to lease or maintain.*

Financial Impact: *Port KC would immediately receive approximately \$1,054,011 for the land being sold and would continue to receive rental income for the balance of the land leased to NorthPoint (until such time as it too is sold). The sale proceeds exceed the present value of the rents payable for the 16.93 acres over the lease term.*

Recommendation: *Port KC Staff recommends approval of the Resolution.*

<p>Proposed Motion: I move the Board of Commissioners adopt a Resolution approving an amendment to the Master Ground Lease with Option to Purchase Agreement as presented.</p>
