

COMMUNITY PROJECT/REZONING

Ordinance Fact Sheet

Case No. 716-S

Brief Title

A declaration of blight and approval of the Key Coalition Urban Renewal Plan.

Details

Location: Generally bounded by 27th St on the north, Prospect Ave on the east, Linwood Blvd on the south, and Woodland Ave on the west, and excluding Spring Valley Park.

Reason for Legislation: A declaration of blight and approval of an Urban Renewal Plan.

PLAN REVIEW:

The plan area consists of 164 acres (99.2 acres, excluding right-of-way) located southeast of downtown within the Key Coalition Neighborhood, generally bounded by 27th St on the north, Prospect Ave on the east, Linwood Blvd on the south and Woodland Ave on the west. The plan area contains 659 parcels in total, with the majority of the land within the plan area is of residential use and zoning with commercial uses and zoning concentrated along Prospect, 31st/Linwood and a small commercial use/zoned area at the intersection of 29th & Brooklyn. Highway 71 bisects runs north to south through the extreme western portion of the plan area.

The purpose of the request is to stimulate private investment in new housing and housing rehabilitation and commercial projects which provide the shopping, dining, entertainment and employment needs of the neighborhood. The plan's proponents (Key Coalition Neighborhood Association) are seeking a declaration blight and approval of an urban renewal plan, in order to make property owners within the plan area eligible for tax abatement.

No specific redevelopment, restoration or rehabilitation projects are planned by the proponents. The plan notes that housing rehabilitation costs typically range from \$80 to \$100 per square foot and commercial rehabilitation costs average \$110 per square foot. The purpose of the request is to help offset these costs and stimulate private investment in both residential and commercial uses throughout the plan area.

The benefits of developing within an urban renewal plan area are: 1) pursuant to Section 99.420(4) RSMo, the LCRA receives the power of eminent domain from the City Council and may exercise this power for the purpose of assisting redevelopment projects and/or eradication of blight or insanitary conditions, and 2) the LCRA may grant tax abatement to the developer as allowed for in Chapter 99 RSMo (assessed valuation of property is "frozen" for 10 years of abatement on the increased valuation of the property).

A declaration of blight and approval of the plan would grant the LCRA statutory right to exercise eminent domain and the plan notes that the LCRA does intend to exercise this power in order to further the purposes and intent of the plan both in response to redevelopment project applications and in an effort to eradicate blighted and insanitary conditions. The plan states, however, that the LCRA will not exercise this power to acquire owner-occupied residential property. The LCRA will limit its use of eminent domain to acquisition of properties with one or more of the following conditions:

1. Repeated and/or unresolved code violations.
2. Being included on the City's "dangerous buildings" list.
3. Repeated calls for Police service made to residential rental properties.

Ordinance Number

Positions/Recommendations

Sponsors	Jeffrey Williams, AICP Director, City Planning & Development
Programs, Departments or Groups Affected	3 rd District (Curls, Reed)
Applicants / Proponents	Applicant Robert D. Long LCRA 1100 Walnut St, Suite 1700 Kansas City, MO 64106 City Department City Planning & Development Other
Opponents	Groups or Individuals Basis of Opposition
Staff Recommendation	☒ For ☐ Against Reason Against
Board or Commission Recommendation	City Plan Commission (7-0) 02-03-2015 By Archie, Baker-Hughes, Crowl, Gutierrez, Martin, May and Macy ☐ For ☐ Against ☐ No Action Taken ☒ For, with revisions or conditions (see details column for conditions)
Council Committee Actions	☐ Do Pass ☐ Do Pass (as amended) ☐ Committee Sub. ☐ Without Recommendation ☐ Hold ☐ Do not pass

Continued from Page 1

4. A pattern of late payment of real property taxes and/or assessments, abandonment.
5. Other conditions as deemed appropriate by the LCRA.

The plan notes that any proposal to exercise eminent domain must first be approved by the Key Coalition Neighborhood Association and the City Council.

The Heart of the City Area Plan identifies most of the plan area as Residential Low Density (Urban) with the perimeters of the plan area along Prospect and the 31st/Linwood corridors being a mixture of higher-density residential and commercial designations. Since the plan does not propose any specific redevelopment projects, no rezonings and area plan amendments are proposed or considered necessary. The request complies with the area plan.

The proposed plan identifies the following development objectives for the proposed plan area:

1. 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.
2. 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.
3. To provide, in harmony with the general plan for the community, a coordinated, adjusted and harmonious development of the community and its environs.
4. 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.

And more specifically:

1. Stimulate and facilitate private investment by property owners, residents, organizations and businesses in commercial projects that meet the shopping, dining, entertainment, and employment needs of neighborhood residents, commuters and other interested consumers.
2. Stimulate and facilitate private investment by property owners, residents, organizations and businesses in new housing and housing rehabilitation that meet the needs of - and appeal to - both current neighborhood residents and potential residents.

Approval of the request would make all single-family residential properties within the plan area who meet the following conditions eligible for the tax abatement:

1. All property taxes have been paid for all properties owned by or under control of the applicant(s).
2. That there are no unresolved code violations on any property within the City of Kansas City owned or controlled by the applicant, unless, however, the applicant's proposed project within the plan area shall correct or remediate any code violation on the property within 90 days prior to the submittal date of the application made to LCRA.
3. All commercial, industrial, retail, mixed-use, office, multi-

Policy or Program Change	☐ Yes ☐ No
Operational Impact Assessment	

Finances

Cost & Revenue Projections – Including Indirect Costs	
Financial Impact	
Funding Source(s) and Appropriation Account Codes	

Continued from Page 2

family and/or institutional redevelopment projects seeking assistance must follow the LCRA's Workable Program.

The plan does not currently contain standard language specifying when multi-family residential and nonresidential properties must rezone to UR in order to be eligible for tax abatement. Staff is recommending a condition which requires such language to be added.

According to the Blight Study, the LCRA has determined the plan area to be a blighted area and insanitary area based upon the following:

1. Defective or inadequate street layout.
2. Improper subdivision or obsolete platting.
3. Unsanitary or unsafe conditions.
4. Deterioration of site improvements.
5. Existence of conditions which endanger life or property by fire or other causes.
6. Hindrance to housing accommodation.
7. Economic or social liability.

RECOMMENDATION:

At its February 3, 2015 meeting, the City Plan Commission RECOMMENDED APPROVAL of Case No. 716-S, Key Coalition Urban Renewal Plan, based on the application, plans, and documents provided for review prior to the hearing.

Fact Sheet Prepared By: **Date:** June 22, 2015

Joseph Rexwinkle, AICP
Staff Planner

Reviewed By: **Date:** June 22, 2015

Diane Binckley, AICP
Division Manager
Development Management

Initial Application Filed: December 19, 2014

City Plan Commission: February 3, 2015

Revised Plans Filed: April 24, 2015

Reference Numbers:

Case No. 715-S