



900 W. 48th Place, Suite 900, Kansas City, MO 64112 • (816) 753-1000

October 29, 2025

Curtis J. Petersen
(913) 234-7458
cpetersen@polsinelli.com

City Council
City of Kansas City, Missouri
414 E. 12th Street
Kansas City, MO 64106

Re: Hillcrest Community Improvement District

To the Honorable Members of the City Council:

635 Holdings, LLC (“Developer”) is thrilled at the prospect of rebirthing one of the City’s historic locales – the Hillcrest Golf Course. Over the years, Hillcrest has fallen into disrepair and obsolescence in the increasingly challenging environment for golf course survival.

Developer’s capital stack for this significant project relies in part on a Community Improvement District (“CID”) sales tax and an associated statutory blight designation.

This letter, accompanied by a CID Petition and Blight Study, sets forth certain information required by Section 74-302 of the City’s Code of Ordinances.

1. Alignment with city goals expressed in the city's comprehensive plan, area plans, and economic development policies.

Remediation of blight supports multiple Vision statements outlined in Kansas City’s Spirit Playbook.

To begin, remediation of a dilapidated golf course supports a Clean and Safe environment for the City’s residents. As of today’s date, the properties included in the proposed CID are plagued by criminal activity, including trespassing, theft, and illegal drug activity. The use of CID revenues would remediate these conditions.

In addition, bringing Hillcrest Golf Course back to life would highlight the City’s rich history and culture, preserve History and Heritage and highlight KC Uniqueness. Hillcrest Golf Course was established in 1916 by an internationally

Atlanta | Boston | Chicago | Dallas | Denver | Fort Lauderdale | Fort Worth | Houston
Kansas City | Los Angeles | Miami | Nashville | New York | Park City | Philadelphia | Phoenix | Raleigh
Salt Lake City | San Diego | San Francisco | Seattle | St. Louis | Washington, D.C. | Wilmington

polsinelli.com

acclaimed course designer. Today, however, it is in an unusable state. Use of CID Revenues would allow it to be restored to its historic glory and attract local and out-of-state visitors through high-profile events and regular play.

2. Benefits to the community with preference for petitions that allocate at least ten percent of the CID's total projected sales tax revenues toward community benefits and services, including blight remediation.

More than 10% of CID Revenues are being used to remediate blight. The community benefits include exterior improvements to remediate blight, which improvements include: roof exterior repairs, finish carpentry & exterior trim, wood siding, decorative exterior metals, exterior painting & staining, exterior tile, irrigation remediation & landscaping, signage, gutter & downspouts, retaining walls, site concrete, patio & stair rails, decking, bollards, knox box, flashing & sheet metals, exterior structure, and waterproofing. In addition, under Section 67.1461.2(2), RSMo, the District involves the revitalization of a continuously distressed census tract through re-birth of one of Kansas City's most historic golf courses, which, among other associated benefits, is anticipated to increase sales tax generation through retail sales, attract out of state tourists to participate in golf tournaments, feature high profile names as members of the golf course, eliminate criminal activity now present within the District, and attract additional redevelopment and investment into a part of the City that has not seen adequate investment and new life, all of which serves a public purpose.

3. Whether there are any existing CIDs within the boundaries of the proposed CID and if such existing CIDs support the establishment of the proposed CID as evidenced by a letter or similar evidence of support.

None.

4. The current tax rate and a breakdown of taxes being imposed within the proposed CID boundaries, how the proposed overall tax rate compares to neighboring cities in Missouri, and any impact on the city's ability to impose additional taxes. Such information shall be provided by the finance department.

The proposed CID will have no effect on current property taxes. The current sales tax rate applicable to the proposed district is 8.9750%. If the CID is created, the total sales tax rate will be 9.9750%. This is commensurate with rates in surrounding cities, which range between 5.725% - 10.975%.

5. Whether a shorter term is desirable based upon the nature of improvements and services and the projected budget.

The proposed term of twenty-seven years is desired to maximize remediation of blight. The term allows for the maximum capture of CID Revenues, which will be necessary to offset the costs incurred to remediate the blighted conditions and to pay off the private financing obtained for the upfront costs related to the same.

6. Whether the completion of exterior improvements and public improvements is prioritized above all other improvements.

All CID Revenues used to reimburse improvement costs will be focused on exterior improvements within the District. These improvements are intended to include exterior building, landscaping, and hardscape costs incurred in reconstruction of golf clubhouse, which is anticipated to include, but not be limited to, the following improvements: roof exterior repairs, finish carpentry & exterior trim, wood siding, decorative exterior metals, exterior painting & staining, exterior tile, irrigation remediation & landscaping, signage, gutter & downspouts, retaining walls, site concrete, patio & stair rails, decking, bollards, knox box, flashing & sheet metals, exterior structure, and waterproofing.

7. Whether any petitioner was the owner of property within the proposed CID boundaries at such time as the blighting factors and conditions might reasonably have been determined to first occur and remain unabated. For purposes of this provision, any current property owner sharing one or more common partners, members, directors or officers with the property owner(s) identified as being responsible for the blighting factors and conditions shall be deemed the same owner(s).

Conditions of blight were present prior to current ownership.

8. Whether more than 25 percent of the costs of remediation of blighting conditions located on the interior of any private property shall be funded by public revenues.

All CID Revenues used to reimburse improvement costs will be focused on exterior improvements within the District as described in the response above.

Sincerely

Curtis J. Petersen

CJP:jlh