

906 Grand Boulevard  
Community Improvement District

## **Blight Study**

906 Grand Building Hospitality, LLC  
Kansas City, Missouri  
December 2, 2021

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## Section I

### Introduction

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The purpose of this analysis is to determine if certain property located at 906 Grand Boulevard (the “Study Area”) in Kansas City, Missouri qualifies as a “blighted area” according to the Community Improvement District Act – Sections 67.1401 to 67.1571 R.S.Mo. (the “CID Act”).

The consultant visited the Study Area in November and in December 2021. The effective date of this study is December 2, 2021, the last date of inspection.

The Study Area encompasses one (1) tax parcel containing approximately 0.25 acres.

### Definitions

#### 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 CID Act provides the following definition for a blighted area, effective August 28, 2021:

“Blighted area”, the same meaning defined pursuant to section 99.805;  
(67.1401.2(3) RSMo.)

*(1) “Blighted Area”, an area which, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, 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. (99.805(1), 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 community improvement district. According to state law, it is unnecessary for every condition of blight to be present in order to be eligible as a blighted 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, economic, and social 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 City of 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.

### **Methodology**

The purpose of this work was to analyze conditions located within the Study Area so as to determine if it qualifies as a blighted area as defined within the CID Act.

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 showing blight conditions present in the Study Area.

Data was collected from the current owner and inspections made of the property to document physical blighting conditions as 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 discussions with the property owner, and various reports and studies prepared or commissioned by the City and property owner.

The consultant visited the Study Area in November and in December 2021. The effective date of the study is December 2, 2021, the last date of analysis.

## **Previous Blight Determinations**

### Proposed Redevelopment Area

The Study Area exists within two existing redevelopment areas, both of which were approved by the City Council with a finding of blight, including the Central Business District Urban Renewal Plan and the Grand Boulevard Corridor Tax Increment Financing Plan.

On November 25, 1968 the city council approved creation of the Central Business District Urban Renewal Area, which includes all of the Planning Area. The city council determined it was “desirable and in the public interest that the Land Clearance for Redevelopment Authority of Kansas City, Missouri undertake and carry out the Neighborhood Development Program for the City of Kansas City, Missouri”. The City Council approved a finding of blight as part of the establishment of the Central Business District Urban Renewal Area.

The Grand Boulevard Corridor Tax Increment Financing Plan was approved by Ordinance No.961441 on November 29, 1996 with a finding of blight.

### Adjoining Areas

The Study Area is in close proximity (within about one mile) to the following active incentive areas, all of which were approved by the City of Kansas City, Missouri with a finding of blight:

#### Tax Increment Financing Plans

- 1) Grand Boulevard Corridor;
- 2) Civic Mall;
- 3) East Village;
- 4) Tower Properties;
- 5) New York Life;
- 6) 1200 Main/South Loop;
- 7) Americana Hotel;
- 8) Kansas City Convention Center Headquarters Hotel;
- 9) 13<sup>th</sup> & Washington;
- 10) W. 17<sup>th</sup> Street;
- 11) Judicial Square;
- 12) 9<sup>th</sup> & Central;
- 13) 811 Main;
- 14) Commerce Tower Village; and
- 15) Gailoyd.

Other tax increment financing plans have been approved within one mile of the Study Area but were approved with a finding of “conservation area” rather than blight. Those plans include the following:

- 1) River Market;
- 2) 9<sup>th</sup> & Main;
- 3) Baltimore Place;
- 4) Downtown Library;
- 5) New England National Bank Building;
- 6) 19<sup>th</sup> Terrace & Central;
- 7) 22<sup>nd</sup> & Main;
- 8) Hotel Phillips;
- 9) 11<sup>th</sup> Street Corridor;
- 10) Grand Reserve; and
- 11) 12<sup>th</sup> & Wyandotte.

Urban Renewal Areas

- 1) CBD;
- 2) Columbus Park;
- 3) Garfield;
- 4) Eastside;
- 5) 12<sup>th</sup> & Vine;
- 6) South Humboldt;
- 7) Grand Avenue Office;
- 8) Truman & Wyandotte;
- 9) Grand Avenue – McGee;
- 10) Truman & Oak;
- 11) East Crossroads;
- 12) 18<sup>th</sup> & Holmes;
- 13) 1915 Main Street;
- 14) 1914 Main Street; and
- 15) 16<sup>th</sup> & Jefferson.

Chapter 353 Development Plans

- 1) 5<sup>th</sup> & Harrison Redevelopment;
- 2) Old Town;
- 3) Rivergate;
- 4) Quality Hill;
- 5) Landmarks Broadway Square;
- 6) Lucas Place Lofts;
- 7) Cumberland;
- 8) Waltower Lofts;
- 9) 909 Walnut;
- 10) Commerce Trust;
- 11) Lofts at 917;
- 12) Graphic Arts;
- 13) Library Lofts;
- 14) Mark Twain;
- 15) Block 75;
- 16) Finance Building;

- 17) Hanover Lofts;
- 18) Tower Redevelopment;
- 19) Eleven Main;
- 20) Grand Boulevard Lofts;
- 21) United Missouri Bank;
- 22) 12<sup>th</sup> and Grand;
- 23) Galleria/Block 93 (AT&T);
- 24) Galleria/One KC Place;
- 25) Twelfth & Wyandotte;
- 26) Cordova;
- 27) Oak Street;
- 28) Walnut Redevelopment;
- 29) 16<sup>th</sup> & Walnut; and
- 30) Nottingham.

PIEA General Development Plans

- 1) Downtown Loop;
- 2) 14<sup>th</sup> & Baltimore;
- 3) I-35 & West 13<sup>th</sup> Street;
- 4) East Downtown;
- 5) The View;
- 6) Old Federal Courthouse;
- 7) 9<sup>th</sup> and Grand;
- 8) 7<sup>th</sup> & Main;
- 9) Folgers Coffee;
- 10) Central Industrial District;
- 11) Paseo West;
- 12) Paseo Gateway;
- 13) Crossroads Arts;
- 14) 19<sup>th</sup> & Oak;
- 15) 18<sup>th</sup> & McGee;
- 16) Crossroads;
- 17) Crossroads Planning;
- 18) 20<sup>th</sup> & Main;
- 19) Film Row;
- 20) Performing Arts;
- 21) Mulkey Square; and
- 22) Market.

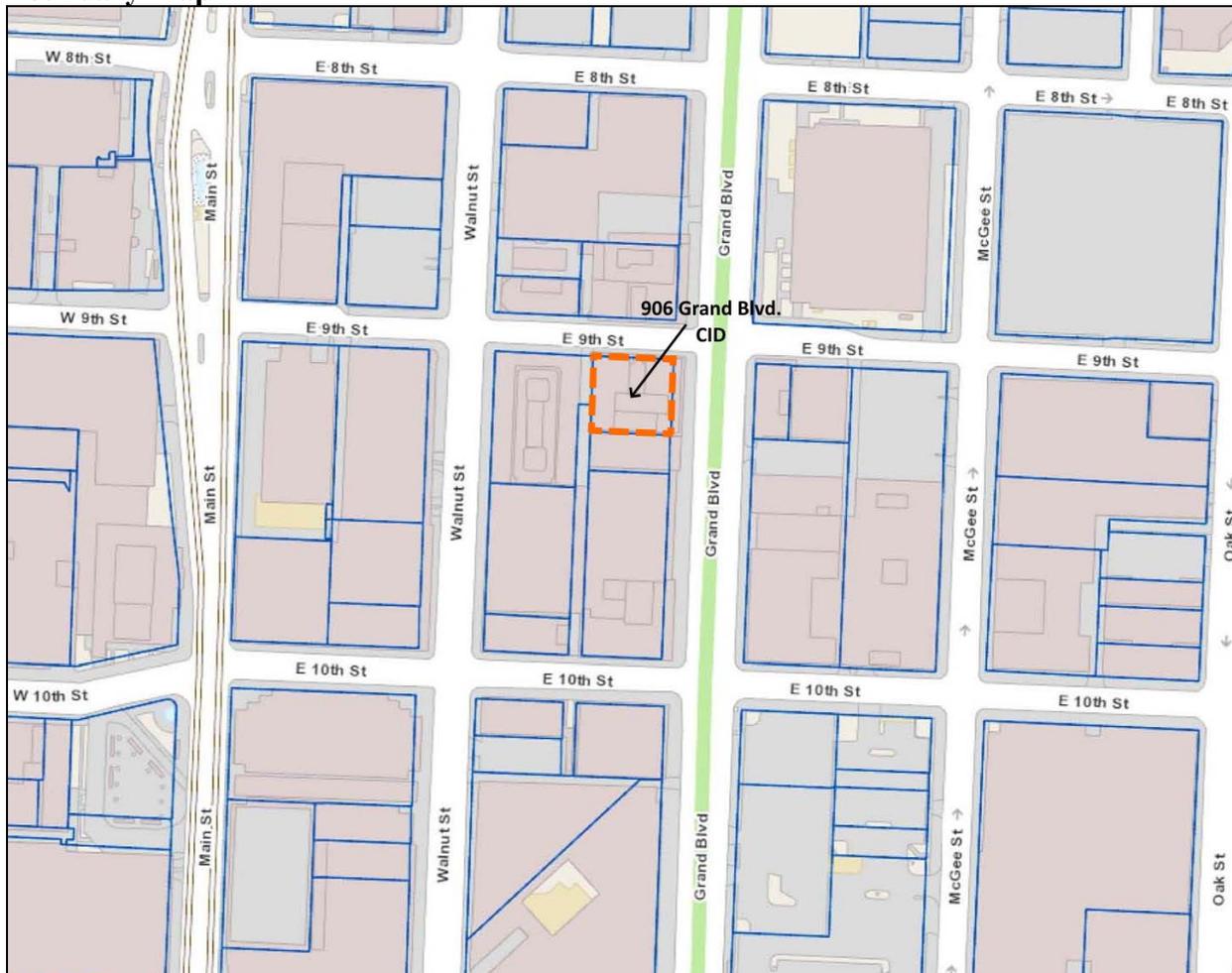
**Legal Description**

The Study Area consists of one (1) tax parcel. A legal description of the tax parcel within the Study Area is included in Appendix A – Property Ownership & Legal Descriptions.

### Ownership

The Study Area contains one (1) property parcel. The one parcel is identified by the Jackson County Assessor’s office. A complete listing of the tax parcel identified by the Jackson County Assessor is included in Appendix A.

### Boundary Map



### Report Format

The Blight Study is presented in three sections and an Appendix. Section I presents an overview of the project, a definition of “blighted area,” 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 exhibiting the various blighted area conditions.

## Section II

### Study Area Overview

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#### Location & Access

The Study Area encompasses approximately 0.25 acres and consists of one tax parcel in Kansas City, Missouri in the CBD Downtown neighborhood.

The Study Area has very good access due to close proximity to the regional interstate system from within the Downtown Loop, particularly access from Main Street/Delaware Street located less than 500 feet from the Study Area to the west. The Downtown Loop is just over one mile wide (east-west) and just under one mile deep (north-south). Grand Boulevard borders the eastern boundary of the Study Area and is a major north/south street extending from the Heart of America Bridge and Berkley Parkway on the north to its intersection with Main Street on the south. 9<sup>th</sup> Street borders the northern boundary of the Study Area and is also a major street. 9<sup>th</sup> Street consists of two through lanes and a parking lane, and is a one-way street running west from Woodland Avenue on the east to Broadway Boulevard on the west. East of Woodland Avenue, 9<sup>th</sup> Street is a four-lane two-way street that continues to Winner Road where it then becomes a residential street that terminates at Winchester Avenue just west of the Blue River.

The City’s Major Street Plan (2016) classifies Grand Boulevard as a “Boulevard” thoroughfare with two through lanes running north/south with a bike lane and parking lane on each side of the street. A north-bound turn lane provides access to west-bound 9<sup>th</sup> Street. The intersection of Grand Boulevard and 9<sup>th</sup> Street is signalized.

From the north and south the Study Area can be directly accessed via Grand Boulevard which runs north/south along the eastern edge of the Study Area. Access from the east is via 9<sup>th</sup> Street which is a west-bound one-way street along the northern edge of the Study Area. A north-south alley exists along the western edge of the Study Area east of Walnut Street and west of Grand Boulevard, but the north sixty feet of the alley is part of the fee simple property located at 911 E. Walnut Street and is privately owned.

Painted bike lanes exist on both sides of Grand Boulevard adjacent to the Study Area and extend north to the River Market and south to 20<sup>th</sup> Street. The draft revision of the Bike KC Master Plan plans for the lanes on Grand Boulevard to have a “major separation” from vehicular traffic in the future. The nearest planned bike routes near the Study Area with varying degrees of protection include east/west routes on 11<sup>th</sup> Street and 12<sup>th</sup> Street, and a north/south route on Walnut Street. The Trails KC Plan does not propose trails within or near the Study Area, and none currently exist. Per walkscore.com the Study Area has a Bike Score of 72/100, which is considered very bikeable – bicycling is convenient for most trips.

Pedestrian access is very good, with sidewalks on the northern and eastern boundaries of the Study Area. Sidewalks are generally in good condition and provide connections to properties in all directions from the Study Area. Per walkscore.com the Study Area has a Walk Score of

93/100, and the CBD Downtown neighborhood, where the Study Area is located, has a walk score of 89/100 and is the second most walkable neighborhood in Kansas City, Missouri.

Public transit is extremely well-served with five routes directly serving the Study Area and a multitude of others within two to three blocks, particularly on Grand Boulevard at 11<sup>th</sup> Street and 12<sup>th</sup> Street. The five routes directly serving the Study Area include the Main Street MAX (bus rapid transit), Route 24 (Independence), Route 29 (Blue Ridge Limited), Route 77 (Casino Cruiser), and Route 85 (Paseo). A bus stop is located directly in front of 906 Grand Boulevard. The Streetcar is less than two blocks away to the west on Main Street. Other bus routes on 9<sup>th</sup> Street and Grand Boulevard and within one-quarter mile walking distance of the Study Area have been suspended due to the COVID pandemic. Per walkscore.com the Study Area has a Transit Score of 68/100, and is considered good.

### **Land Area**

There is one (1) property parcel within the Study Area. Per information obtained from the geographic information systems of Jackson County, Missouri, the Study Area contains a total of 0.25 acres.

### **Topography**

The Study Area slopes downward to the west. The highest point in the Study Area is along the eastern boundary at approximately Kansas City datum 907.0, and the lowest point is located at the northwest corner at approximately Kansas City datum 896.0. The sidewalk is flat along the eastern boundary of the Study Area.

According to maps from the Federal Emergency Management Agency (FEMA), the Study Area is not located in a flood plain.

### **Easements**

The consultant was not provided with title reports or survey 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 subject properties within the Study Area including water, sewers, natural gas and power, and all are adequate for development. Currently the property does not have power due to a flood that occurred in the lower level, and water is currently shut off. Other building and life systems are disconnected and are not operable.

### **Zoning**

The existing zoning in the Study Area is DC-15 (Downtown Core – 15). The DC, Downtown Core district is primarily intended to promote high-intensity office and employment growth within the downtown core. The DC district regulations recognize and support downtown's role

as a center of regional importance and as a primary hub for business, communications, office, government, retail, cultural, educational, visitor accommodations, and entertainment. The district regulations are primarily intended to accommodate a broad mix of office, commercial, public, recreation, and entertainment uses. The DC district also accommodates residential development, both in a stand-alone high-density form and mixed with office and retail uses.



906 Grand Boulevard Community Improvement District – Zoning Map

### Environmental

A Phase One Environmental Site Assessment (ESA), performed by Terracon Consultants, Inc. and dated August 20, 2019, was provided to the consultant. Terracon did not identify any Recognized Environmental Conditions (RECs) nor any Controlled RECs, and thus recommended no additional investigation was warranted at the time of the report. As noted by Terracon, the

ESA did not include subsurface or other invasive assessments, vapor intrusion assessments or indoor air quality assessments, business environmental risk evaluations, or other services. Gasoline tanks and oil heating tanks were not observed due to inaccessibility, but could be present.

The consultant did observe suspect asbestos containing materials. No environmental assessment was conducted as a part of this study, and the presence of asbestos and other potential environmental liabilities was not confirmed.

The consultant is unaware of any environmental contamination within the Study Area.

### **Real Estate Taxes**

A five-year history of the assessed values within the Study Area is included in the appendix.

The data in Appendix B is the Assessor's opinion of Market Value and the resulting assessed value for each of the properties within the Study 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 and industrial properties is 32%, residential properties is 19%, and agricultural properties is 12%. The real estate levy for 2020 in the Study Area was \$8.3015 per \$100 of assessed valuation. An additional \$1.437 per \$100 is assessed on commercial and industrial property only (the Merchants and Manufacturers replacement tax).

In 2020, the Study Area generated \$1,280,000 in taxable assessed value, generating a total of \$124,652.80 in real estate taxes. All tax payments are current, as are assessments for the Downtown Community Improvement District and the Streetcar Transportation Development District.

In 2017 the taxable assessed value was \$941,760. Taxable assessed value within the Study Area has increased by 42.71% since 2017. The biggest increase took place in 2019 when total assessed values increased by 35.92%. Much of that increase was attributable to a doubling of the assessed land value (from \$172,800 to \$345,600) and an increase of approximately 21.5% of the assessed improvement value (from \$768,960 to \$934,400).

### **Existing Improvements**

The Study Area consists of one property parcel containing approximately 0.25 acres and is located within the CBD Downtown Neighborhood.

The lone property parcel has been improved as follows:

### 906 Grand Boulevard

The Study Area is comprised of one building constructed originally in the late 1800s as a six-story building and later expanded in 1912. The building was formerly known as the Rialto Building and the Ozark National Life Building, and since 1912 has consisted of thirteen stories above ground with 138,125 square feet and two basement levels. The building is constructed of steel and reinforced concrete with a stone and concrete foundation. The exterior walls are clad in glazed terra cotta stone and brick masonry. Parking consists of a surface parking lot of 85 spaces located at 710 Walnut Street. The parking lot is not included within the Study Area. Past tenants have been office uses. The building has suffered high vacancies for a long period of time, and has been 100% vacant for the past two years.



*906 Grand Boulevard – east façade*



*906 Grand Boulevard – view from northwest of north and west façades*

**Billboards**

There are no billboards located within the Study Area.

## CBD Downtown Neighborhood

### Location & Access

The CBD-Downtown neighborhood is generally bounded by the interstate highway loop – Interstates 35 and 70 on the north, Interstate 70 and U.S. 71 on the east, Interstate 670 on the south, and Interstate 35 on the west. The neighborhood enjoys excellent access to the regional highway system and the local and regional network of streets.

The main entryways into CBD-Downtown include Broadway Boulevard, Main Street, Grand Boulevard, and Charlotte Street from the north; 7<sup>th</sup> Street from the east; Oak Street, Baltimore Avenue, Wyandotte Street, Broadway Boulevard, Main Street, and Grand Boulevard from the south; and 12<sup>th</sup> Street from the west. CBD-Downtown is bordered to the west by the West Bottoms neighborhood, to the north by the River Market and Columbus Park neighborhoods, to the east by the Paseo West neighborhood, and to the south by the Hospital Hill and Crossroads neighborhoods. Access to and from these adjoining neighborhoods is relatively easy by vehicle.

### Neighborhood Demographics

#### Population & Household Income

The following provides population and income trends within a one-, two-, and three-mile radius from the approximate center of the Study Area with an address of 906 Grand Boulevard.

906 Grand Blvd  Radius	Population			
	Historic		Estimated	Projected
	2000	2010	2021	2026
<b>One Mile</b>	7,943	10,385	15,480	17,670
decennial chg. (1 mile)		+30.7%	+49.1%	+14.1%
chg. from '00 (1 mile)		+30.7%	+94.9%	+122.5%
<b>Two Mile</b>	25,129	27,205	35,052	39,166
decennial chg. (2 mile)		+8.3%	+28.8%	+11.7%
chg. from '00 (2 mile)		+8.3%	+39.5%	+55.9%
<b>Three Mile</b>	76,895	72,933	83,331	89,389
decennial chg. (3 mile)		-5.2%	+14.3%	+7.3%
chg. from '00 (3 mile)		-5.2%	+8.4%	+16.2%

Source: ESRI; Sterrett Urban, LLC

<b>Median Household Income</b>		
<b>906 Grand Blvd</b>	<b>Estimated</b>	<b>Projected</b>
<b>Radius</b>	<b>2021</b>	<b>2026</b>
<b>One Mile</b> chg. from 2020 (1 mile)	57,998	66,065 +13.9%
<b>Two Mile</b> chg. from 2020 (2 mile)	47,874	55,733 +16.4%
<b>Three Mile</b> chg. from 2020 (3 mile)	37,712	44,286 +17.4%

Source: ESRI; Sterrett Urban, LLC

The population figures indicate substantial growth near the Study Area and within two miles between 2000 and 2010, whereas population declines within three miles of the Study Area. Population increased by approximately 30.7% between 2000 and 2010 within one mile of the center of the Study Area, whereas the population for Kansas City, Missouri grew at 4.1% over the same period. The ESRI forecast for 2021 and for 2026 suggests substantial continued growth within one and two miles of the Study Area between 11.7% and 14.1%.

Between 2021 and 2026 median household income within three miles of the Study Area is projected to increase between 13.9% and 17.4% (it should be noted that the data for 2021 and 2026 are estimates), with the lowest rate of increase nearest the Study Area. The estimated median household income anywhere within three miles of the Study Area in 2021 is lower than the estimated median household income for the Kansas City metropolitan area in 2019 (\$70,215, the most recent data available), and is highest nearest the Study Area (\$57,998). The median household income in Kansas City, Missouri in 2019 was \$54,194.

### Unemployment

The most recent unemployment data for the Study 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  
August 2021

<b>Labor Force</b>	<b>Labor Force Employed</b>	<b>Labor Force Unemployed</b>	<b>Percentage Unemployed</b>
267,970	256,328	11,642	4.3%

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 September 2021 was 3.5%.

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**

### **RSMo. 67.1401.2(3)**

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Significant findings of the 906 Grand Boulevard Community Improvement District Blight Study are presented in the discussion which follows. These findings are based on a review of documents and reports, interviews, field surveys, and analyses conducted in November 2021. 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. 67.1401.2(3) of the Missouri State Statute, as amended, exist in the Study Area.

### **RSMo. 67.1401.2(3)**

The principal blighting factors reported here and in line with the statutory definition include: insanitary or unsafe conditions, deterioration of site improvements, and the existence of conditions which endanger life or property by fire and other causes. An analysis of the effects of those conditions present in line with the statute follows, including retarding the provision of housing accommodations; constitutes an economic or social liability, or is a menace to the public health, safety, morals, or welfare in its present condition and use. The Appendix section of this report includes a table exhibiting the conditions present on the property.

### **Blight Defined**

As presented in Section I, blight is defined as follows with respect to the CID Act:

“Blighted area”, an area which:

... by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, 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.

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).

### **Cause Component 1: Insanitary or Unsafe Conditions**

Unsafe or insanitary conditions can be found throughout the Rialto Building in the Study Area. The most prevalent Study Area conditions considered unsafe or insanitary include the absence of or damaged/deteriorated building systems and life safety systems, including electrical power, HVAC, plumbing, automation, communications, and life safety systems. Without functioning building systems and life safety systems, the Rialto Building does not satisfy current building codes and cannot be occupied.

Due to what appears to have been past renovations, or interior demolition as preparation for renovations, portions of many of the building systems do not connect to form a complete functioning system, including plumbing, HVAC, fire suppression, and electrical. Wiring is exposed in many locations. A contractor is in the process of removing debris from the building, but debris remains on many floors and besides presenting an injury hazard also impedes ingress/egress in some locations.

Electrical power has been unavailable since a flood in Fall 2019, caused by a water main line break on 9<sup>th</sup> Street that impacted the lower levels of the building which, among other things, impacts vertical transport (without power the elevators are nonfunctioning) in addition to all of the building systems. Some lighting is available through the use of generators and extensions from the neighboring building at 910 Grand Boulevard.

In addition to the lack of electricity, the flood also caused the shut-down of the fire pump in the lower level which critically impacts the ability of the fire suppression system (sprinklers) to operate. Sprinklers are not installed throughout the entirety of the building.

The building is not entirely watertight and as such has created or has the potential to create localized unhealthy environments and to damage interior improvements. Water intrusion is

evidenced in the lower levels of the building by standing water on the floors, and water stains on foundation walls that has caused concrete and stone to spall, and structural steel to corrode. Water leaks can also be found on the top floor from the roof and where windows are poorly sealed, primarily on the west side of the building where original steel framed, wire-glass windows remain.

Vaults underneath the sidewalk along Grand Boulevard are accessible from the building's lower level where exposed, corroded reinforcing steel is evident on the bottom side of the sidewalk. As a result, the load capacity of the sidewalk has been diminished and must be replaced before further deterioration may cause injury to pedestrians using the sidewalk.

Vagrant activity and/or trespass is evidenced inside the building with graffiti. Vagrant activity is also present just outside the building entrance on the west side from the alley in the form of trash and personal belongings. The west building entrance also cannot be locked, and has been secured with a chair and cable lock, eliminating a point of egress.

No separate environmental assessments were done for this Blight Study. Mold was remediated in the building that had been caused by the flood, but standing water can be found at the bottom of the elevator shaft. The consultant is unaware of any environmental contamination within the building.

Examples of this condition are shown below and on the following pages. The Study Area clearly exhibits insanitary or unsafe conditions and to an extent that endangers property and life.



*Interior – deterioration of finishes; uneven floor; debris; lack of fire suppression*



*Interior – west entrance door locks inoperable (doors secured with chair and cable lock)*



*Interior – nonfunctioning emergency lighting*



*Interior – deteriorated steps with no handrail in lower level; standing water*



*Interior – nonfunctioning fire pump, corroded*



*Interior – standing water at bottom of elevator shaft*



*Interior – water line of flooding in lower level; water and mold damage*



*Interior – spalled concrete, exposed steel reinforcement on bottom side of elevated sidewalk over vault*



*Interior – debris*



*Interior – debris; disconnected HVAC, plumbing systems; lack of operable life safety systems*



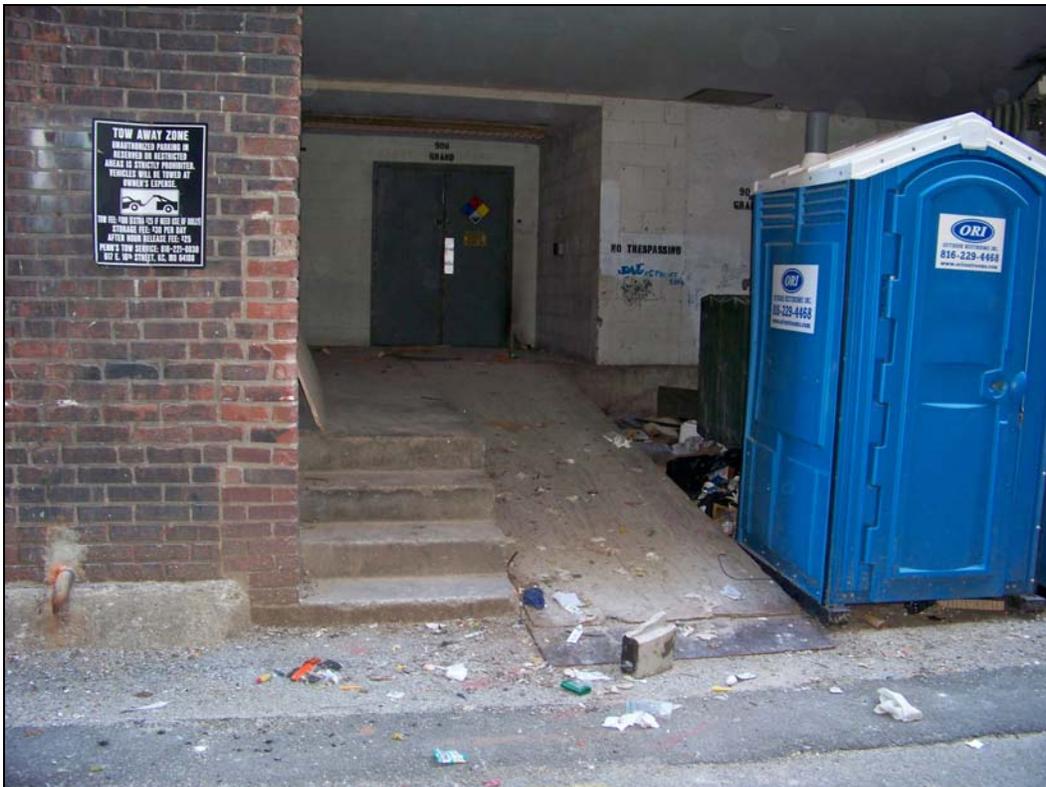
*Interior – inoperable fire sprinkler system, HVAC*



*Interior – disconnected, inoperable plumbing*



*Interior – open inoperable elevator; graffiti, trespass*



*Interior – vagrant activity; debris/trash; graffiti*

## Cause Component 2: Deterioration of Site Improvements

The condition of deterioration of site improvements was primarily established through field survey work and observation of exterior and interior physical conditions within the Study Area. The building owner also provided the consultant with a report, “*The Rialto Building – Building Envelope Assessment*” dated May 13, 2021 and conducted by Wiss, Janney, Elstner Associates, Inc. (“Envelope Assessment”). The report details conditions of the roofs, façades, and lower and sub-grade walls of the lower levels of the building, all of which is incorporated into this blight study under separate cover. 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).

Deterioration of the primary structure is well documented in the Envelope Assessment. The building has seven separate roof areas separated by elevation as detailed in the figure below from the Envelope Assessment (p. 2).



The combined area of these seven roof area totals approximately 11,500 square feet. Roof areas 1, 2 and 5 cover finished interior space. Roof areas 3 and 4 cover the elevator and mechanical penthouses respectively. Roof areas 6 and 7 cover the top side of the cornices on the east and north facade of the building. The visible portions of the roof on areas 1 through 5 consist of a low-slope, modified bitumen with granulated cap sheets. The visible portions of the roof on areas 6 and 7 consist of low-slope EPDM roof membrane. Parapets surrounding the roof areas are typically capped with sheet metal copings.

Roof Areas 1 through 5 are nearing the end of their service life require significant repair, if not replacement. Roof Areas 6 and 7 are generally in good condition. Significant conditions noted within the Envelope Assessment include the following (pp. 3-7):

- Water infiltration noted on roof areas 1, 2 and 3.
- Multiple roof cap sheets have fish-mouths near the base of the parapet on Roof Areas 1 and 2.
- Penetrations through the roof membrane on Roof Area 1 are sealed with thick layers of bituminous material. Bitumen at these ‘pitch pockets’ is hard and brittle and typically contains voids. Corrosion staining is present at many of these ‘pitch pockets’ from the embedded steel elements.
- Surface mounted counter flashings are present at the base of the penthouse walls on Roof Area 1. Sealant at the upward facing joints of these flashings is generally chalky in consistency and is debonded or missing. Multiple counter flashings are loose and are easily pulled away from the penthouse walls.
- Several blisters (each approximately 2 sq. ft.) were located throughout the field of the roof.
- Granule loss on the east side of the elevator penthouse and granule deposits in the low spot.
- Roof area 3 is drained by one 3-inch roof drain and does not contain overflow drains, or scuppers. Mineral staining is present on the underside of the roof deck surrounding the roof drain.
- Concrete is delaminated at the chimney stack near the southwest corner of the penthouse roof. Vertical roof flashing is detached where the concrete substrate has been compromised. Mineral staining was noted on the bottom side of the roof deck below this delamination.
- Approximately 1 inch of standing water was identified along a 30-foot length of the EPDM roof above the decorative thirteenth floor cornice. Visual assessment was limited at other locations due to debris from roosting birds.
- One open lap seam was observed in the EPDM membrane.

Significant observations of the façades include the following:

#### Terra Cotta

- Ferrous metal anchors installed in terra cotta window jamb units on the west and north façades. Minor surface corrosion was identified on exposed portions of a majority of the anchors. Cracks in the terra cotta units, emanating from the anchors, were noted at several locations.
- Previously repaired cracks in terra cotta units at the cornice and water table. Cracks had been repaired with mortar or sealant. Sealant repairs are open and debonded at various locations. Cracking at the water table not yet addressed at the south façade.
- Isolated cracked terra cotta units at the parapet, window heads, and the water tables. Isolated hairline cracking of the terra cotta sill units at the third floor
- Cementitious patch repairs previously installed on the decorative terra cotta “ramhead” units at the twelfth-floor water table. Hairline, shrinkage cracks were noted at several of these repairs. Mortar patches were also identified at various joint cover locations on the third-floor water table.
- Terra cotta glaze spall repairs with spot coating at various facade locations including, but not limited to, the parapet and water tables.

- Debonded and open mortar joints between terra cotta units, specifically at the water table and window heads, as well as isolated sections of the piers and spandrels.
- Open mortared bed joint below the thirteenth floor roof line level and on the north facade of floor B1 (Basement Level 1).
- Crazed and debonded sealant at upward facing joints in coping units and at various vertical joints throughout the facades.
- Small (approximately 2 square inches or less) terra cotta face spalls and incipient spalls at the edges of the first floor, east storefront alcove. Corroded ferrous metal anchors were identified at the spall/incipient spall locations.
- Bottom/unglazed face of terra cotta units are exposed at the through-wall roof scupper at the seventh floor light court roof.
- Sheet metal panel installed (presumably over the terra cotta cladding) at the pier between two aluminum louver infilled punch openings on the west facade, fifth floor, southern most bay.
- Vegetation at terra cotta joints on the mechanical penthouse.

#### GFRC (glass fiber reinforced concrete)

- The original thirteenth floor terra cotta cornice was replaced on the east, north, and light court facades and on the approximate 10-foot returns of the south and west facades with a panelized GFRC system.
- Hairline cracks (approximately 1/32-inch or less) in the GFRC was typically identified at the false bullnose joint covers and horizontally on the top surface, 1-inch inboard of the front face of the panel.
- Chipping of the GFRC finish coat.
- Debonding and open joints between the GFRC panels.
- GFRC panels are anchored to the substrate with exposed fasteners on the back/roof face. The fastener heads are not sealed, and washer gaskets were not noted.

#### Brick Masonry

- Yellow wire cut brick and common brick of standard size clad the south facade above the adjacent building. The common brick areas are constructed with racked joints and the yellow brick have concave tooled joints. The yellow brick is only installed at the twelfth floor and above.
- Debonded, cracked, and/or washed out/isolated voids were identified throughout the south facade, typically in the common brick and above the twelfth-floor windows and at the mechanical penthouse.
- Deflecting steel lintel angles and cession scale build-up at the mechanical penthouse windows.
- Several punched window openings have been infilled with face brick.

### Windows

- Original steel framed/wired glass windows remain on the west facade and at the elevator shafts on the south facade. Several cracked glass panes were identified throughout these facades. Multiple broken glass panes typically observed on the second, fourth, fifth, eighth, and ninth floors.
- Debonded, displaced, and missing glazing putty at steel framed windows.
- Peeling and flaking coating on steel frame windows at mechanical penthouse.
- Dents in aluminum window frames at isolated locations.
- Bent and displaced louver sill cover on the west facade, eleventh floor, south bay.
- Plywood infill at punched masonry opening on the west facade, second floor, south bay.
- Debonded window glazing sealant at the light court curtainwall.
- Crazed and split sealant at joint joints in the metal panels adjacent to the light court curtainwall. It is unclear if and to what extent the panels maybe sealed behind the lap.

### Other Façade Items

- Exposed ends of previously cut and removed steel I-beams at the mechanical penthouse.
- Cracked and peeling coating and delaminated, cracked, and spalled concrete at the base of the chimney on the penthouse roof.
- Corrosion and section loss of the chimney flue.
- Missing and failed fasteners at chimney structure.
- Hairline cracks throughout cementitious soffit at the ground floor on the east façade.
- Spalled concrete at west alley facade curb.

In addition to the roofs and the façades, the Envelope Assessment also documented significant conditions related to the foundation walls located along the perimeter of the two basement levels of the building (B1 and B2) and include the following:

### Foundation Walls

- Mineral and moisture staining is evident at the top of the north and east foundation walls below elevated sidewalks. Concrete framing of the elevated sidewalks is spalled in many locations and steel reinforcement is exposed.
- Water is present at the base of many exterior foundation walls throughout Levels B1 and B2. Water is present in quantities enough to dampen wall surfaces and the surface of the floor slab up to approximately 12 inches inboard of the foundation wall.
- One mechanical system on each level B2 and B1 are surrounded by water. Water was identified dripping from the mechanical system itself on level B1.
- The floor level of Level B2 varies by approximately 3 feet. The lowest area is near the center of the building and at the elevator shaft. Standing water is present at multiple locations near the center of the building.

- Approximately 6 inches of standing water is present at the bottom of the elevator shaft at Level B2. The source of this water was not visible. Structural steel members were submerged in the standing water and corrosion is present on these steel members.
- Approximately 24 inches of gypsum board is removed from all interior stud walls at Level B2.

As stated within the Envelope Assessment, much of the terra cotta and brick masonry are generally in good condition with isolated areas of distress and deterioration of individual terra cotta units and mortar joints. The distress observed is primarily the result of water infiltration through the building enclosure and freeze-thaw deterioration that occurs when water is absorbed into the masonry then subjected to cyclic freezing and thawing.

The roofs are in need of substantial repair immediately or complete replacement within the next two to five years.

Also of great concern is the issue of excessive interior leakage in the basement levels that if left unaddressed has the potential to become a public safety concern. Also of particular note is the condition of the sidewalk over the vaults on the east side of the property along Grand Boulevard and discussed previously as an unsafe or insanitary blighting condition.

Much of the building interior condition has been documented and discussed previously in the section about unsafe or insanitary conditions. The most significant conditions include the lack of any functioning building systems or life safety systems, including fire suppression and the lack of electrical power, which prohibits the building from being occupied. On many floors the presence of debris is an injury hazard and at times impedes ingress/egress. Many interior finishes have failed or have been damaged. Concrete structural columns and beams also exhibit deterioration.

The following photos are examples of structural deterioration in the Study Area. The deterioration of site improvements was evident throughout the entirety of the Rialto Building.



*Interior – delamination of structural beam, corrosion of structural steel*



*Interior – failure of finishes*



*Interior – water staining, spalling of foundation wall*



*Interior – damage to walls; removal of building systems*



*Interior – deteriorated glazing of original steel framed windows; broken glass panes*



*West façade – broken window panes; failure of finishes*



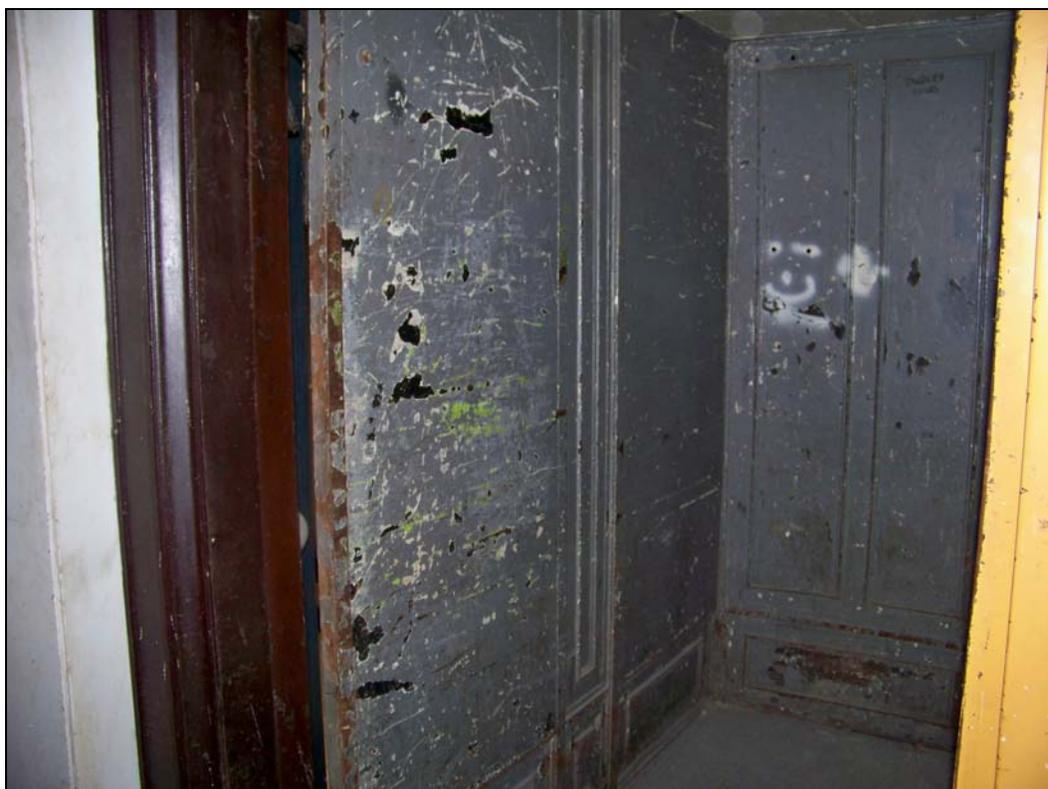
*Interior – damaged wall, metal sill plate*



*Interior – failure of finishes; damaged materials*



*Interior – improper sealing of windows; lack/failure of finishes*



*Interior – deterioration of elevator cab*



*Interior – deterioration/damage of interior finishes, flooring, columns; building systems nonexistent*



*Interior – covering of gap in exterior masonry wall with sheet metal*



*Interior – deterioration of structural beams, columns; deterioration/damage of interior finishes*



*Interior – deterioration of structural beams, columns; deterioration/damage of interior finishes*



*Interior – spalled concrete at west alley curb*

### **Cause Component 3: Existence of Conditions which Endanger Life or Property by Fire and Other Causes**

Data regarding fire calls to the Study Area was not available.

An examination of crime data for the past twelve months (accessed from trulia.com with data provided by spotcrime.com and crimereports.com), indicates the Study Area – along with much of the CBD Downtown Neighborhood – has the highest crime rates in Kansas City. A closer examination of crime incidents within the Study Area, however, indicates no reported crime incidents.

As noted previously a flood occurred within the Rialto Building due to a water main line break on 9<sup>th</sup> Street in Fall 2019 and since that time the building has been without power and without a functioning fire pump, which is an integral part of a fire sprinkler system. Without a fire pump the building and lives are at greater risk in the event of a building fire.

The lack of functioning building systems and life safety systems, including inoperable elevators due to the lack of power, prevents the building from being occupied.

Conditions exist throughout the Rialto Building that endanger life or property by fire and other causes.

### Summary of Blighting Factors

The following table summarizes the three qualifying factors analyzed within the Study Area:

**906 Grand Boulevard  
Community Improvement District  
Summary of Blighting Factors**

Study Area	Parcels	Pct.	Area (acres)	Pct.
Total	1	100%	0.25	100%
<u>Blighting Factors</u>				
Insanitary or unsafe conditions	1	100.0%	0.25	100.0%
Deterioration of site improvements	1	100.0%	0.25	100.0%
Existence of conditions which endanger life or property by fire and other causes	1	100.0%	0.25	100.0%
Parcels with at least one blighting factor	1	100.0%	0.25	100.0%
Parcels with no blighting factors	0	0.0%	0.00	0.0%
<b>Parcels with Predominance of Blighting Factors</b>	<b>1</b>	<b>100.0%</b>	<b>0.25</b>	<b>100.0%</b>

As evidenced from the table above, the entirety of the Study Area satisfies each of the three blighting factors. 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 100.0%.

### Effect Component 1: Economic or Social Liability

#### Economic Liability

The following economic characteristics of blighted areas are generally agreed upon as:

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

These economic characteristics are typically substantiated with certain conditions, which may include but are not limited to one or more of the following:

- Depreciated or stagnant property values or impaired investments.

- High business vacancies, low lease rates, high turnover rates, or excessive vacant lots.
- Lack of neighborhood commercial facilities.
- Residential overcrowding or an excess of adult businesses.
- High crime rate.

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.”

As indicated in Appendix B: Property Valuation and Taxes, the assessed value of the Study Area has increased by approximately 42.7% since 2017. Much of that increase occurred in 2019 when the total assessed value increased approximately 35.9%. The only other year in which the total assessed value increased was in 2021 when the valuation increased 5.0%. Despite the increased valuation since 2017, the valuation per building square foot remained quite low compared to other occupied commercial properties. The table below illustrates the disparity in valuation between that of the Study Area and that of other operating hospitality properties in the Downtown area that are renovated properties. All are operated under different flags, and most target a different clientele than the other hotels. Average nightly rates range from as low as approximately \$105 to approximately \$195, and the number of rooms varies from 43 to 217. All of the hotel properties are listed on the National Register. Despite the differences in the properties, their assessed values per building square foot clusters within a fairly tight range.

Address/Property	Bldg SF	Assessed Value	AV/SF
906 Grand Boulevard	138,125	\$ 1,344,000	\$ 9.73
1111 Grand Boulevard <i>Ambassador Hotel</i>	43,787	\$ 1,431,040	\$ 32.68
106 W. 12 <sup>th</sup> Street <i>Phillips Hotel</i>	148,900	\$ 5,489,920	\$ 36.87
1329 Baltimore Avenue <i>Hilton President Kansas City</i>	195,255	\$ 5,689,600	\$ 29.14
219 W. 9 <sup>th</sup> Street <i>21c Museum Hotel</i>	107,500	\$ 3,392,320	\$ 31.56
417 E. 13 <sup>th</sup> Street <i>Holiday Inn Express</i>	40,500	\$ 1,435,200	\$ 35.44
2101 Central Avenue <i>Crossroads Hotel</i>	120,000	\$ 3,601,920	\$ 31.02
2020 Grand Boulevard <i>Hotel Indigo – Crossroads</i>	60,000	\$ 1,588,779	\$ 26.48

Source: Jackson County; Sterrett Urban, LLC

As demonstrated in the above table, improved hospitality properties have an assessed value per building square foot ranging between \$26.48 and \$36.87. The assessed value per building square foot of the Study Area, at \$9.73, is just 26%-37% of the valuation of the hospitality properties that occupy historic or older properties. Much of the disparity is due to two conditions – 1) the high business vacancies in the Study Area, as no more than two of the building’s thirteen floors have ever been occupied for many years, and the property has been 100% vacant since at least January 2020; and 2) the extensive building rehabilitation that is required to eliminate the blighting conditions in the Study Area and to prepare the building for occupancy. Clearly the 100% vacant building within the Study Area has a detrimental impact on the collection of tax revenues. In addition to depressed property tax revenues, economic activity taxes such as sales and utility taxes are non-existent.

The Study Area’s inability to generate reasonable and sustained revenue places the City and other taxing jurisdictions in a position where budgets for such services as police, fire, schools, vector and rodent control, parks, and other municipal or district services translates into an economic liability for the residents of Kansas City and the beneficiaries of those jurisdictions typically funded by property, sales and business taxes.

The redevelopment of the Area has been hindered by several dominating factors, including unsafe conditions (lack of power, impaired accessibility, inadequate fire/life/safety systems) that can endanger life or property, physical deterioration (lack of building systems or nonoperational systems such as fire suppression, HVAC, plumbing, and the deterioration of roofs, windows, exterior stone cladding, and failure of finishes). These are costs that are prohibitive for a private sector developer (or property owner) to take on independently. Doing nothing will only result in further deterioration of building and site improvements, resulting in increased redevelopment costs and an increased likelihood that an historic building will not be redeveloped, creating a negative impact on neighboring properties. Some form of external financial assistance that is not currently being utilized will be required in order to make improvement of the Study Area economically feasible.

Improvement 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.

Factors such as those described in this section render the Area an economic liability to the City and other affected taxing jurisdictions. Economic underutilization – low assessed values and taxes, high vacancies, deterioration of improvements and the presence of unsafe conditions that endangers life and property – indicates the Study Area is blighted.

#### Social Liability

The social liabilities associated with the Study Area are related to the presence of various hazardous conditions that threaten or endanger the health, safety and welfare of the community. Specific liabilities include:

1. The theft and/or the destruction of major building systems of the 906 Grand Boulevard Building has left the structure with non-functioning or nearly non-functioning heating, ventilation, air-conditioning, plumbing, fire suppression systems, and vertical transport.
2. Evidence of vandalism and trespass inside the building.

Given the presence of the conditions outlined above, the Study Area has become a social liability in that such conditions are conducive to ill health, transmission of disease, and crime. Additionally, the presence of these conditions dictates that the City pursue redevelopment opportunities that are consistent with its Comprehensive Plan.

### **Conclusion**

A predominance of the components that make up the definition of blight (RSMo. 67.1401.2(3)(a)) was present in the proposed 906 Grand Boulevard Community Improvement District.

The dominant blighting factors include a complete lack of functioning building systems (electrical, HVAC, plumbing), vertical transport (elevators) and life safety systems, including fire suppression systems, that prevent the Rialto Building from being occupied; water infiltration; roofs that require substantial repair immediately and replacement within a few years; and sidewalks that have deteriorated to the point of becoming a public safety concern. The unsafe and insanitary conditions endanger life and property. The building has been 100% vacant for the past two years and had significant vacancies – greater than 70% - for many years prior. The lack of parking in the near vicinity limits potential uses for an adaptive reuse of the property and has contributed to the high vacancies in addition to the noted blighting factors. The depressed property values due to the factors noted above in an area that has experienced tremendous redevelopment activity and increased economic growth indicates blight is present within the 906 Grand Boulevard Study Area. The above combine to create economic underutilization and thereby an economic liability for the City and other taxing jurisdictions.

Therefore, the consultant has determined that the proposed 906 Grand Boulevard Community Improvement District of Kansas City, Missouri, as of November 23, 2021, is a “blighted area” according to the definition provided in Missouri’s Community Improvement District Act (RSMo. 67.1401 et seq.) and constitutes an economic and social liability in its present condition and use.

Appendix A

**Property Ownership & Legal Descriptions**

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No.	Site Address	Parcel ID No.	Owner	Legal Description
1	906 GRAND BLVD	29-220-33-11-01-0-00-000	906 GRAND BOULEVARD HOSPITALITY, LLC	LOTS 63 AND 64, SWOPE'S ADDITION, IN THE CITY OF KANSAS CITY, JACKSON COUNTY, MISSOURI, ACCORDING TO THE RECORDED PLAT THEREOF.

Appendix B

**Property Valuation & Taxes**

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No.	Parcel ID Number	2017	2018	2019	2020	2021	Taxes		NOTES
							2020	Delinquent	
1	29-220-33-11-01-0-00-000	941,760	941,760	1,280,000	1,280,000	1,344,000	124,652.80	0.00	
Total		941,760	941,760	1,280,000	1,280,000	1,344,000	124,652.80	0.00	
Annual Change %			0.00%	35.92%	0.00%	5.00%			
Cumulative Change %			0.00%	35.92%	35.92%	42.71%			

Appendix C

**Summary of Properties & Blighting Factors Present**

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No.	Parcel Address	Parcel APN (County)	Insanitary or unsafe conditions	Deterioration of site improvements	Endangerment of life or property by fire, other causes	TOTAL	Average	Predominance of Blighting Factors Present
1	906 GRAND BLVD	29-220-33-11-01-0-00-000	■	■	■	3	0.25	■
<b>TOTALS</b>			<b>1</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>0.25</b>	<b>1</b>
			<b>0.25</b>	<b>0.25</b>	<b>0.25</b>			<b>0.25</b>
			<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>			<b>100.0%</b>

Appendix D

**Certification / Assumptions & Limiting Conditions / Qualifications**

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## Certification

I certify that, to the best of my knowledge and belief...

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
6. Patrick Sterrett has made a personal inspection of the property that is the subject of this report November 23, 2021.
7. This study is not based on a requested result or a specific conclusion.
8. We have not relied on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value.

A handwritten signature in black ink, appearing to read "Patrick Sterrett". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Patrick Sterrett  
Sterrett Urban, LLC

906 Grand Boulevard Community Improvement District  
Blight Study

## Assumptions & Limiting Conditions

This Blight Study is subject to the following limiting conditions and assumptions:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are Sterrett Urban's unbiased professional analyses, opinions, and conclusions.
2. Information provided and utilized by various secondary sources is assumed to be accurate. Sterrett Urban cannot guarantee information obtained from secondary sources.
3. The nature of real estate development is unpredictable and often tumultuous. In particular, the natural course of development is difficult to predict and forecast. Sterrett Urban deems our projections as reasonable considering the current and obtained information.
4. Sterrett Urban has considered and analyzed the existing conditions concerning the subject property within the redevelopment area. We have considered these existing conditions when forming our analysis and conclusions. However, it should be understood that conditions are subject to change without warning, and potential changes could substantially affect our recommendations.
5. Our analyses, opinions and conclusions were prepared in conformance with the Code of Professional Ethics and Standards of the American Institute of Certified Planners.

# Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

**Sterrett Urban LLC** is an urban planning and real estate development advisory firm which counsels an array of public and institutional clients, as well as private investors and developers, interested in bringing development projects and revitalization efforts to fruition. **Sterrett Urban LLC** has unmatched experience and expertise providing redevelopment, community planning, and economic development strategies and implementation services for a wide variety of product types and settings.

The firm, founded in 2006, is led by Patrick Sterrett, a certified urban planner who has more than twenty-five years of experience forging partnerships, managing complex real estate development projects, and creating vibrant, sustainable urban plans and designs. Current and recent work includes creating a development program and financing strategies for a \$20 million mixed-use project on Troost Avenue; developing a strategy to unwind the original financing framework Mr. Sterrett helped originate for the LAMP nonprofit campus that involves tax abatement, New Markets tax credits, and Historic Preservation tax credits; land use planner for the redevelopment of the three million square foot former Bannister Federal Complex; continued management of two community improvement districts originally formed by Mr. Sterrett for others; and the development of financing strategies for a \$20 million charter school in Kansas City, Missouri and a \$5.5 million social service center and health clinic in Kansas City, Kansas, both of which may include the use of tax credits and tax abatement.

Prior to forming **Sterrett Urban LLC** in 2006, Mr. Sterrett spent eleven years at the Economic Development Corporation of Kansas City, Missouri (EDC) and initiated and/or managed for the public sector some of the largest pioneering redevelopment projects in recent memory in Kansas City and in the country. During his tenure at the EDC, Mr. Sterrett provided staffing to each of the redevelopment agencies and also served as Executive Director of the Port Authority, where he managed land development, the negotiation of redevelopment agreements and creation of mixed-use development programs for the Kansas City Riverfront, former Richards-Gebaur Airport as an intermodal hub, a mixed-use village within the Columbus Park Neighborhood, and creation/implementation of a redevelopment strategy for the Crossroads Arts District.

Mr. Sterrett's work has been featured in local and national publications, and his work in the Crossroads Arts District and the Power & Light District in Kansas City has been recognized by the International Economic Development Council as exemplary of the most advanced redevelopment methods to revitalize distressed areas, including brownfields.

Mr. Sterrett earned a Bachelor Architecture and a Master of Urban Planning with a concentration in housing and community development from the University of Kansas.

# Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

## Select Professional Experience

### Sterrett Urban LLC

2006 – Current

Owner/Principal

#### REDEVELOPMENT PLANNING/BUILDING CONDITION STUDIES

##### Blight Study

Independence Marketplace (TIF); WNQE Independence VI, LLC; Independence, MO

##### Blight Study

11828 NW Plaza Circle Community Improvement District; Yashoda Hotels, LLC; Kansas City, MO

##### Blight Study

7611 NW 97<sup>th</sup> Terrace Community Improvement District; BVM PLATT CITY, LLC; Kansas City, MO

##### \*Blight Study

Ten Main Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

##### Blight Study

Brookfield Building (Chapter 353); Brookfield Hotel Investment, LLC; Kansas City, MO

##### \*Blight Study

Kansas City Convention Center Headquarters Hotel (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

##### \*Blight Study

Mt. Cleveland Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

##### \*Blight Study

63<sup>rd</sup> & Holmes Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

##### Blight Study

23<sup>rd</sup> & Sterling Community Improvement District; McKeever Enterprises, Inc.; Independence, MO

##### General Development Plan and Qualifications Analysis (Blight)

17<sup>th</sup> & Madison (PIEA); PIEA of Kansas City, MO; Kansas City, MO

##### General Development Plan and Qualifications Analysis (Blight)

63<sup>rd</sup> Street Corridor (PIEA); PIEA of Kansas City, MO; Kansas City, MO

\*In conjunction with APD Urban Planning & Management, LLC

# Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

## REDEVELOPMENT PLANNING/BUILDING CONDITION STUDIES (CONTINUED)

General Development Plan and Qualifications Analysis (Blight)  
Green Village (PIEA); PIEA of Kansas City, MO; Kansas City, MO

### Blight Study

32<sup>nd</sup> Street Place (TIF); Woodsonia Joplin, LLC; Joplin, MO

### Blight Study

32<sup>nd</sup> Street Place Community Improvement District; Woodsonia Joplin, LLC; Joplin, MO

### \*Blight Study

Linwood/Prospect (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

### \*Blight Study

Oak Park Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

### Blight Study

16 Main Street (Chapter 353); PC Homes, LLC; Parkville, MO

### Blight Study

NE 58<sup>th</sup> Street & N. Oak Trafficway (Chapter 353); North Eagle Properties, LLC; Gladstone, MO

### Blight Study

Twin Creeks Center Community Improvement District; White Goss, Attorneys at Law; Kansas City, MO

### Blight Study

325 E. 31<sup>st</sup> Street Community Improvement District; Syndicate Property Holdings 1, LLC; Kansas City, MO

### Blight Study

612 W. 47<sup>th</sup> Street Community Improvement District; JH Investors, LLC; Kansas City, MO

### Blight Study

801 Westport Road Community Improvement District; GLI Hospitality & ADMJM WP1, LLC; Kansas City, MO

### Development Plan & Blight Study

1411 Quebec (Chapter 353); MetroPark Warehouses, Inc.; North Kansas City, MO

### Urban Renewal Plan & Blight Study

3200 Gillham Road Urban Renewal Area (LCRA); Exact Acme, LLC; Kansas City, MO

\*In conjunction with APD Urban Planning & Management, LLC

# Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

## REDEVELOPMENT PLANNING/BUILDING CONDITION STUDIES (CONTINUED)

\*Blight Study

40 Highway & Noland Road (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

Blight Study

89<sup>th</sup> & State Line Community Improvement District; State Line Corner, LLC; Kansas City, MO

Blight Study

Boomtwn Central (TIF); Denali Summit, LLC; Joplin, MO

Blight Study – Court Testimony

Armour/Gillham Corridor (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Economic Development Area

Aviara (TIF); City of Liberty, MO; Liberty, MO

Blight Study

4080 W. State Highway 76 (TIF); Fee/Hedrick Family Entertainment; Branson, MO

Blight Study

Creekside (TIF & CID); Parkville Development 38, LLC, Parkville Development 140, LLC, Parkville Development 50, LLC, Parkville Development VV1, LLC; Parkville, MO

Blight Study

Johnson Drive & Renner Road (TIF); Kingdom Real Estate, LLC & Paru, LLC; Shawnee, KS

Blight Study

Merriam Corners (TIF); Merriam Corners, LLC et al.; Merriam, KS

Urban Renewal Plan & Blight Study

Midtown Infill Multifamily Housing Urban Renewal Area (LCRA); FFV Development, LLC; Kansas City, MO

Blight Study

NW 112<sup>th</sup> Street & I-29 Community Improvement District; Bank of Weston & WB Seventeen, LLC; Kansas City, MO

Blight Study

NW Prairie View Road & NW 72<sup>nd</sup> Street (TIF & CID); North K I-29 2004, LLC; Kansas City, MO

\*Blight Study

3800 Block of Prospect Ave Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

\*In conjunction with APD Urban Planning & Management, LLC

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Principal



Urban Planning & Development Services

## REDEVELOPMENT PLANNING / BUILDING CONDITION STUDIES (CONTINUED)

### Blight Study

Riverside Red X Community Improvement District; Riverside Red X, Inc.; Riverside, MO

### Conservation Area Study

Stag's Spring (TIF); Stag's Spring, LLC; Shawnee, KS

### Blight Study

8<sup>th</sup> & Grand Boulevard (TIF, CID, LCRA, PIEA, Ch. 353); New Generation Construction; Kansas City, MO

### Blight Study

Turner Vista (TIF); College Park Developers, LLC; Kansas City, KS

### Blight Study

Villa West (TIF); 29<sup>th</sup> Street Partners, LLC; Topeka, KS

### Blight Study

Vivion Point Community Improvement District; Lockard Kansas City Holdings, LLC; Kansas City, MO

### Blight Study

Ward Parkway Plaza Community Improvement District; Greensboro Property Company, LLC; Kansas City, MO

### Blight Study

Tiffany Landing Community Improvement District; Tiffany Landing, LLC; Kansas City, MO

### General Development Plan and Qualifications Analysis (Undeveloped Industrial Area)

Frontage at Executive Park (PIEA), PIEA of Kansas City, MO; Kansas City, MO

### General Development Plan and Qualifications Analysis (Blight)

22<sup>nd</sup>/23<sup>rd</sup> Street Connector (PIEA); PIEA of Kansas City, MO; Kansas City, MO

### General Development Plan and Qualifications Analysis (Blight)

2<sup>nd</sup> Amended Ellison/Knickerbocker (PIEA), PIEA of Kansas City, MO; Kansas City, MO

### \*Blight Study

Second & Delaware Development Plan (Chapter 353); Chapter 353 Advisory Board of Kansas City, MO; Kansas City, MO

### \*Blight Study

Commerce Tower Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

\*In conjunction with APD Urban Planning & Management, LLC

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Urban Planning & Development Services

## REDEVELOPMENT PLANNING/BUILDING CONDITION STUDIES (CONTINUED)

### \*Blight Study

Key Coalition Neighborhood Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Insanitary Area)

Victory Court (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

I-35 & W. 13<sup>th</sup> Street (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

Troost Bannister (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Insanitary Area)

Seven301 (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

Oxford on the Blue (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

1<sup>st</sup> Amended Ellison/Knickerbocker (PIEA); PIEA of Kansas City, MO; Kansas City, MO

### \*Blight Study

Bannister & I-435 (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

1<sup>st</sup> Amended Armour/Gillham Corridor (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study Addendum (Social Liabilities)

Armour/Gillham Corridor (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Liberty Commons (TIF); City of Liberty, MO; Liberty, MO

Blight Study

Hospital Hill III Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Insanitary Area)

Hawthorne Road (PIEA); PIEA of Kansas City, MO; Kansas City, MO

\*In conjunction with APD Urban Planning & Management, LLC

# Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

## REDEVELOPMENT PLANNING/BUILDING CONDITION STUDIES (CONTINUED)

### General Development Plan

Amended/Restated Folgers Coffee Company (PIEA); PIEA of Kansas City, MO; Kansas City, MO

### Blight Study

Inter-State Building Development Plan (Chapter 353); Abbot Properties; Kansas City, MO

### General Development Plan & Blight Study

39<sup>th</sup> Terrace (PIEA), PIEA of Kansas City, MO; Kansas City, MO

### Blight Study

Truman-Hardesty (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

### Blight Study

Oak Barry Community Improvement District; MD Management; Kansas City, MO

### General Development Plan & Blight Study

Metro North Mall (PIEA); PIEA of Kansas City, MO; Kansas City, MO

### Blight Study

Metro North Square Community Improvement District; MD Management; Kansas City, MO

### General Development Plan & Blight Study

155<sup>th</sup> & Kensington (PIEA); PIEA of Kansas City, MO; Kansas City, MO

### Blight Study

Hospital Hill III Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

### Blight Study Update

Columbus Park Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

### General Development Plan & Blight Study

Troost-Rockhill (PIEA); PIEA of Kansas City, MO; Kansas City, MO

### Blight Feasibility & Redevelopment Boundary Analysis

Northwest Briarcliff Road Corridor, City of Kansas City, MO

### General Development Plan & Blight Study

Valentine-Broadway (PIEA); PIEA of Kansas City, MO; Kansas City, MO

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Urban Planning & Development Services

## REDEVELOPMENT PLANNING / BUILDING CONDITION STUDIES (CONTINUED)

General Development Plan & Blight Study

Westport–Main (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Indiana Corridor Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

Blight Study

Troost/Paseo Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan & Blight Study

Blue Valley (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Martin City Corridor Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

Blight Study

Longfellow–Dutch Hill Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan & Blight Study

Stuart Hall/HD Lee (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study & Urban Renewal Plan

Columbus Park Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

\*In conjunction with APD Urban Planning & Management, LLC

## **Economic Development Corporation of Kansas City, Missouri**

1995 – 2006

Executive Director, Port Authority of Kansas City, Missouri

Planner / Senior Planner

Author of the following plans and studies:

Riverfront TIF Plan / Blight Study

74<sup>th</sup> & Wornall TIF Plan / Blight Study (plan not approved)

19<sup>th</sup> Terrace TIF Plan / Conservation Study

22<sup>nd</sup> & Main St. TIF Plan / Conservation Study

47<sup>th</sup> & Roanoke TIF Plan

Prospect North TIF Plan

Jazz District TIF Plan

Pershing Road TIF Plan

Eastwood Urban Renewal Plan / Blight Study

South 31<sup>st</sup> Street Urban Renewal Plan / Blight Study

Longfellow–Dutch Hill Urban Renewal Plan