

EXCELSIOR SPRINGS REDEVELOPMENT CORPORATION

Meeting Summary

September 9, 2021

**Item 1. Call to Order**

Chairman Griffey called the meeting to order at 11:00

**Item 2. Roll Call**

PRESENT: Mike Edwards, Bill Griffey III, Kelli Kincaid, Dr. Kent Powell, Gary Sanson

ABSENT: None

PUBLIC PRESENT: None

STAFF PRESENT: Laura Mize, Neighborhood Specialist; Melinda Mehaffy, Economic Development Director; Paul Campo, City Attorney; Sonya Morgan Mayor Pro-tem, City Council Liaison

**Item 3. Approval of Meeting Summary – August 12, 2021.**

Commissioner Kincaid made a motion to approve the June 9, 2021 meeting summary. Commissioner Edwards seconded the motion. Motion carried.

Vote: Motion passed 4-0-1

Yes: Commissioners Edwards, Griffey, Kincaid, Sanson

No: None

Abstain: Dr. Powell

**Item 4. Consideration of 353 project at 216 Spring Street.**

Mrs. Mize presented general information regarding the project at 216 Spring Street, which is a property owned by Susan Blaser and her daughter, Brittni. The building was formerly a funeral home and had been vacant for 40 years. Ms. Blaser and her daughter have plans to open an event space at the property. Mrs. Mize noted that the 353 application completed by Ms. Blaser was located in the packet for the commissioners to see, along with photos from our historic survey. On the application, the list of planned improvements is included, along with an amount of \$354,000.00 in expected costs. Mrs. Mize noted that the Redevelopment Agreement between Ms. Blaser and the City was included in the packet, along with a Tax Impact Analysis for each of the Clay County taxing entities.

Mrs. Mehaffy asked if there is an option to add to the project, as the property owner encountered a problem with the water line that had to be redone. Mr. Campo noted that redevelopment agreements may be amended when there is a change. He also noted that the amount of budgeted spending or additional project cost is not going to change anything because they will not have realized the amount of what they put into the improvements in the abatement amount. Because the amount of taxes is such that only a fraction of the amount of the costs will actually be abated, whether an item is added will not make a difference in the amount of actual abatement.

Mr. Sanson noted that on page 5, item 14c of the redevelopment agreement, this is noted. In the event that the spending is met, this section addresses how that would be handled.

Mr. Edwards asked what taxes would be for a building in this area. It was speculated that it would be less than a few thousand dollars a year

Mrs. Mehaffy wished to clarify that something would be able to be included after approval. Mr. Campo indicated that a redevelopment agreement could be amended at the end of a project if needed.

Mrs. Morgan asked if there was a percentage of work that had to be done to the exterior. Mrs. Mize noted that this was a commercial property, and this particular project qualifies for Level C of the Commercial Guidelines. Level C does not differentiate between interior and exterior amounts of improvement, simply the removal of blight.

Mr. Campo asked if we had an itemized bid sheet for this project. Mrs. Mize said she did not recall seeing one, but would attempt to obtain one before the next meeting.

Mrs. Mehaffy noted that this is a historic tax credit project so the property owner probably has those bids. Angie Graebler is the architect on this project.

Mrs. Morgan said that she believes this project would qualify for both state and federal historic tax credits. Mr. Sanson said that if they remove walls, they would not be able to qualify for federal historic tax credits.

Mrs. Mize asked if the tax credits were a factor that needed to be considered for approval of the project? Mrs. Mehaffy said it would be beneficial to know because the project estimates and bids would already be put together for those applications.

Mr. Sanson asked if we should continue consideration of this project until next meeting when we have estimates and bids that support this agreement.

Mr. Campo said that the relevant part is what is plugged into the development agreement. For consistency purposes that number needs to be as accurate as possible.

It was determined that at this point we have an incomplete application. Consideration of the project for approval would be continued to next meeting, when we could obtain bids and estimates.

Commissioner Edwards made a motion to continue consideration of this project for approval until next meeting.

Commissioner Kincaid seconded that motion.

Vote: Motion approved 5-0-0

Yes: Commissioners Edwards, Griffey, Kincaid, Powell, Sanson

No: None

Abstain: None

Dr. Powell asked how close they are to completion. Mrs. Mehaffy answered that they encountered some hindrances and hoped to be further along. She did not know an opening date.

At this point the commission moved into the study session.

#### **Item 5. STUDY SESSION**

Mrs. Mize began by introducing two spreadsheets that show all 353 projects approved to this point. The program began in 2017, and the first projects were approved in 2018. One spreadsheet shows the amount of abatement each year for each project, and the expected totals. The other spreadsheet shows the value of the properties and identifying data for each one.

Mr. Campo asked if different counties do assessments differently. Mrs. Mize replied that no applications have come in from Ray County. Clay County does not reassess during the 10 year period.

Mr. Sanson noted that it would be better if the county reassessed throughout the period. As it is, the property owner gets a shocking bill at the end of 10 years.

Mr. Campo stated that this is a fair point and it creates an opportunity for the city to communicate with the property owners a couple of years before abatement burns off, in order to prepare them for the tax bill that will come when the abatement ends.

Mr. Edwards says the other concern is that the 2018 project investment was a certain amount and the abatement was a certain amount. If the county reassessed every two years, the property owner can plan for the tax bill.

Mrs. Mize stated that as a department we can educate people when they make the application. We can also send letters the last two to three years to property owners and notify them that their assessment is going to go up.

Mr. Sanson suggested that it is our responsibility to notify property owners what their possible taxes could be when the abatement is over.

Mrs. Morgan suggested that we work with Clay County to find out what each assessment could be and notify the property owners. Mr. Campo suggested inviting the Clay County Assessor to one of our meetings to share our concerns.

Mrs. Mehaffy said that the previous assessor would evaluate the improvements as new despite the fact that they could be eight years old. She supported the idea of inviting the Assessor to a meeting.

Dr. Powell asked if the new assessor is appointed or elected. Perhaps we should let the dust settle and see who is in office. Mr. Campo researched and found that the assessor is elected. Mrs. Mize will invite her to the next meeting.

Mr. Sanson says we need to be prepared to answer this question for future project applications.

Mrs. Morgan recommended that we contact Liberty and ask this question.

Dr. Powell was surprised to see that the gender identifiers in the redevelopment agreement are not gender neutral. Mrs. Mize stated she would make that correction.

Commissioner Griffey asked if there were any further questions before adjourning.

**Item 6. Comments from Staff**

**Item 7. Comments from Board Members**

**Item 8. Adjourn**

Commissioner Edwards made the motion to adjourn. Commissioner Kincaid seconded the motion.

The next meeting of the Commission is October 14, 2021.

Meeting summary prepared by Laura Mize, Neighborhood Specialist, Community Development.