

The Implementation



CHAPTER **6**



Chapter 6. The Implementation

I. Introduction

First-tier suburb areas like Fairmount around larger cities such as Kansas City, Chicago and St. Louis are experiencing fiscal stress. Solutions to these problems can come in many forms. However, when looking long-term, relief must focus on economic development initiatives. Economic development will result in the expansion of the tax and job base, assisting in the overall regeneration process. Reinventing key areas by attracting new businesses to redevelopment sites will also restore eroded value.

Economic development will no longer come from the manufacturing side, instead it relies on other sectors of our economy. Located close to employment, connected by transit and offering a variety of homes, areas such as Fairmount are an untapped retail and residential market. Select investors will seek out this market to provide needed neighborhood services to these areas. Not always considered a traditional market, these first-tier areas hold significant retail spending power. By working with the private sector to rehabilitate or demolish older structures, acquiring tax delinquent properties, and working to improving aesthetics and infrastructure, these areas hold great opportunity. Underutilized commercial spaces are becoming opportunities for more modern neighborhood shopping areas anchored by large retail chains.

Like other first-tier areas that are experiencing a rebirth, this plan capitalizes on the U.S. 24 Highway Corridor's unique market position and pent-up market demand. The three primary redevelopment nodes along U.S. 24 Highway at River Boulevard, Sterling Avenue and the Fairmount Business District are currently capable of supporting an additional 76,000 square feet of shopping center space. To succeed, the Cities of Sugar Creek and Independence will have to put their full array of tools on the table to attract private capital, but as shown in many communities it can be done.



Chapter Organization

Each of the following sections outlines implementation tools for each of the six Plan components, including specific approaches to four targeted redevelopment nodes. An action plan table is included within each section. For reference purposes, *a description of each tool including its past and potential use on the Corridor is found in Section VIII.* Additional terms found in this and other chapters are defined in the Glossary.

- II. Residential Neighborhoods
- III. Fairmount Business District
- IV. Mixed-Use Areas (Sterling & River Redevelopment Nodes)
- V. Commercial District
- VI. Gateways (Western & Eastern Redevelopment Nodes)
- VII. Transportation
- VIII. Natural Resources, Parks and Open Space
- IX. Implementation Tools – Corridor-Wide
- X. Other Tools - Public and Private Partnerships



Fairmount Business District, Independence, MO

Ultimately, choices will need to be made as insufficient resources exist to implement every tool. Success will require public-private partnerships. Since funding and other variables will change, this Chapter should be periodically amended and new tools added to the action steps. This Chapter should be used in conjunction with Chapter 5 in order to understand the context in which the tools are used. Additional information on tools (shown in italics and underlined) referenced in the general text of this chapter can be found in Sections IX and X.

II. Implementation Strategy – Residential Neighborhoods

Revitalization of the U.S. 24 Highway Corridor must start with improving the fabric, livability and population base of the residential neighborhoods. Enhancing the Corridor's housing stock must be a priority with the goal of improving living conditions, increasing property values, and stimulating population growth. The stabilization and enhancement strategy will need a long-term commitment



by the Cities of Independence and Sugar Creek, community groups, neighborhood activists and local residents. Steps will involve stabilizing the existing housing stock through property repair and code enforcement. Other tasks will involve upgrading the existing housing stock through investing in major improvements (i.e., new roof), building additions and public infrastructure. Other key steps will involve new home construction. The ultimate goal is to improve the Corridor's



demographics to foster demand for additional businesses and commercial space. Without a larger population, the Corridor's business community will continue to suffer. This framework for investment in the U.S. 24 Highway Corridor should include an infill strategy and overlay zones (described in the Corridor-wide Implementation Tools), and flexible zoning to encourage new housing construction and products.

A key first step to jump-start efforts and provide a catalyst to revitalization is for the City of Independence, Sugar Creek and local residents to embark on a pilot housing project involving a target neighborhood utilizing a public-private partnership. The goal is to revitalize a key neighborhood, thereby stimulating a ripple effect through adjoining neighborhoods. General steps toward accomplishing this are:

- Determine appropriate site
- Identify and hold meetings with partners
- Create preliminary concept plans
- Hold public meetings
- Identify and partner with developer
- Construct project

A potential target area is the BP-owned housing and vacant land that straddles both Sugar Creek and Independence. This area is under single ownership, possesses an attractive topography, is capable of incorporating public open space into the development plan, and can support a large enough inventory of new housing to positively influence a larger geographic area. The first phase of this pilot neighborhood revitalization project is for both Sugar Creek and Independence to enter into an agreement to collectively plan and implement development of the target neighborhood. In conjunction with this inter-governmental agreement, BP would convey the property to a non-profit organization whose responsibility will be to coordinate development. The second phase involves approval of a preliminary concept plan for use as a marketing tool to builders. As an incentive to builders, flexible zoning should be adopted to allow for the construction of a variety of housing products and the possibility of building permit and utility connection fees waived. To attract builders, public infrastructure such as street paving, curbs, and sidewalks should be constructed within the target neighborhood through the creation of a Neighborhood Improvement District (NID) or Community Improvement District (CID). Finally, the non-profit organization can construct homes and/or deed residential lots to a builder(s).

The City of Independence has already complemented the pilot housing project by promoting additional new home construction. The City has conveyed City-owned properties suitable for residential use to non-profit organizations for construction of affordable housing and/or sold at a discount to private builders for construction of market-rate housing. To assist in facilitating financially feasible construction of affordable housing and stimulate the construction of market-rate housing, the City should explore waiving municipal building permit and utility connection fees. The

goals of such a program are to stimulate construction of infill housing, stabilize and strengthen neighborhoods, repopulate the U.S. 24 Highway Corridor, and improve the rate of home ownership.

A method of promoting rehabilitation of the existing housing stock is administering a model streetscape program within a targeted neighborhood. Through the 353 Tax Abatement Program the Midtown/Truman Road Corridor Corporation (M/TRC) funded a similar model residential rehabilitation program with great success. The goal is to stabilize and improve a specific neighborhood's physical infrastructure, consequently generating private investment in the housing stock. This improved neighborhood then, in theory, will have a ripple effect on adjacent neighborhoods. The neighborhood targeted for the initial model residential rehabilitation program should already possess a "scattering" of owner-occupied homes in good condition such that private investment has a better chance of taking hold.

Throughout the revitalization process, public infrastructure in the form of street paving, curbs and sidewalks should be improved within Corridor neighborhoods. Both Independence and Sugar Creek must work together to assure public infrastructure is being continuously upgraded. Creation of a Neighborhood Improvement District (NID) or Community Improvement District (CID) within target neighborhoods will be potential funding sources for infrastructure improvements.

Corridor demographics suggest a growing need for independent and assisted living housing to meet the needs of the large senior population. Additional private sector development of senior housing should be promoted through the use of federal programs. The Fairmount Business District and Crisp Lake area are excellent locations for the construction of additional senior housing.



Gradual development of the Sugar Creek Bluffs Business Park will have a positive impact on the demand for housing and commercial space within the U.S. 24 Highway Corridor, and assist in supporting more vibrant neighborhoods. The Corridor must be in position to take advantage of this future opportunity by facilitating new home and commercial construction. A key location for new market rate housing could include Crisp Lake and the Sterling and River Redevelopment nodes.

Residents of the U.S. 24 Highway Corridor should continue to be involved in their community, strengthening community pride. Actively being involved in local planning efforts, neighborhood events and community programs are some of the ways residents can support their community. Agencies such as the Northwest Communities Development Corporation can help support residents by continuing to apply for local grants, such as the Neighborhood Assistance Program (NAP). The Northwest Communities Development Corporation could receive additional NAP credits and seek more private donors. The increased funds could be used to improve the level of

community service and finance a brick and mortar project such as entry-level housing or a new community center.

Federal and state *low income housing tax credits* are available to investors in affordable housing. The credit can be used each year for ten years and is allocated to developers, who may sell it to raise equity to construct or acquire and rehabilitate affordable rental housing. The federal and state low income tax credits could be used as an inducement to stimulate rehabilitation of existing multi-family housing or new construction within the U.S. 24 Highway Corridor. Affordable housing must be scattered throughout the Corridor to avoid major concentrations of low-income dwelling units.

To assist in funding the rehabilitation of the Corridor's housing stock the following public programs *HOME Investment Partnership Program*, *Neighborhood Preservation Tax Credits*, and the Local Initiatives Support Commission. The City of Independence's *First Time Home Buyer Grant Program* could also be expanded to promote increased rates of home ownership within the Corridor. Other tools could also be employed. Code enforcement provides a valuable tool to improve the quality of residential neighborhoods. Already in place, the City could increase these efforts. Other strategies could include targeting new families to this area. This could be achieved by providing new housing, retrofitting the existing housing stock or providing amenities that these families desire.

Improving the education system for children and young adults residing in the U.S. 24 Highway Corridor is critical in strengthening the fabric of the neighborhoods, providing for improved economic opportunities, and retaining young families. Residents consider the presence of the Kansas City School District a negative impact on the residential neighborhoods within the western half of the U.S. 24 Highway Corridor. Demographics of school-aged children suggest that the Kansas City School District's influence may not be as negative as perceived. Regardless, the City of Independence should work closely with the Kansas City School District to assure its residents are obtaining a quality education.

In conjunction with City-wide efforts, the quality of the educational institutions within the Corridor should be improved as part of the revitalization of the Corridor. Schools should become hubs of the community, focused on providing activities for youth and the community. Schools need to be further connected to the community by partnering with national groups, City Departments, local development agencies, volunteers and families. Other associations should include partnerships with higher educational institutions to provide mentorship and a potential path for students. Partnerships with teachers and leaders are integral and should include support for leadership and skill training.

Other programs and tools focused on the revitalization of the Corridor should be implemented as a way to create a healthy community, one that can support a strong learning environment. Most

importantly, the City and the School Districts should celebrate and publish its successes and its achievements as a way to change perceptions based on historical challenges.

Other options suggested by key community leaders have included the transferring of the Corridor from the Kansas City School District into the Independence School District. Key first steps would include:

- The initiation of a dialogue by the City of Independence and the Independence School District with the Kansas City School District.
- The formation of a board, including members from both Districts and the two municipalities to recommend suggested adjustments to the Kansas City School District boundary.
- Public meetings on the boundary changes would need to be initiated.
- An assessment of the impacts of student distribution to schools in both Districts should be conducted.
- The School Districts would need to vote on the recommended changes.

Additional options to boundary change include after-school programs and charter schools. Reinforcing proven after school programs through the Northwest Communities Development Corporation or other non-profit organizations such as YMCA, Boys & Girls Clubs of America; and religious institutions will assist in strengthening the neighborhoods, promote continued education, and provide opportunities for children and young adults. At a time when more children are spending the time between 2:00 p.m. and 6:00 p.m. unsupervised, the need for quality after-school programming is great. More than 28 million children today have parents who work outside the home and as many as 15 million children have no place to go once the school day ends. A quality before-school, after-school, or summer program can provide a safe place for kids and additional learning opportunities.

Research shows that developing comprehensive after-school programs that are integrated into the regular school program and other family support systems within the community can yield positive outcomes for students and their families. An after-school program operating within the U.S. 24 Highway Corridor should establish community partnerships, provide recreation and educational programming, provide a culturally sensitive climate, and engage the public (i.e., volunteers) and parent involvement. Potential federal funding sources are available through *Community Development Block Grants*, U.S. Department of Education (i.e., GEAR UP grants), and Department of Health & Human Services (i.e., Child Care & Development Fund).

Charter schools are nonsectarian public schools of choice that operate with freedom from many of the regulations that apply to traditional public schools. The "charter" establishing each such school is a performance contract detailing the school's mission, program, goals, students served, methods of assessment, and ways to measure success. The length of time for which charters are granted varies, but in Missouri you must be granted no less than 5 years and no more than 10 years.

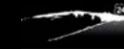


TABLE 6-1 NEIGHBORHOODS IMPLEMENTATION TABLE

ACTION STEPS	POLICY/ PRINCIPLE REFERENCE NUMBER (Chapter 5)	COORDINATING / MANAGING ENTITY	YEAR			
			0-5 years	5-10 years	10-15 years	15-20 Years
Analyze and Implement Findings from Housing Studies	NH 1	Community Development Departments				
Complete Survey of Historic Structures	NH 5.1, NH 5.2	Community Development Departments, Heritage Commission				
Adopt an Infill Policy	NH 3	Community Development Departments, Residences, Developers, NWCDC, BP, MHDC				
Administer the BP Public-Private Pilot Housing Development, followed by the development of office park.	NH 3.1	Cities of Independence and Sugar Creek Community Development Departments, NWCDC, SCCDC				
Continue to work with Kansas City School District and other educational institutions to identify solutions to issues surrounding educational quality including modifying District boundaries.	NH 4.5	City of Independence, Kansas City School District, Independence School District				
Expand or Create 353 Tax Abatement Program Area	NH 1, NH 2, CW 3.2	Community Development Departments				
Administer a Model Streetscape Program	NH 4.4, NH 3.5, CW4	Community Development Departments, IPL				
Invest in Public Infrastructure and Landscape Improvements. (create NID or CID)	NH 3.7	Residents, Neighborhood Groups, Cities of Independence and Sugar Creek, Public Works, IPL, MODOT				
Public-Private Partnership for New Senior Housing	NH 1, NH 2	Neighborhood Groups, NWCDC, Cities of Independence and Sugar Creek, Health Care Agencies, Churches, Banks, Area Seniors, St Ann's				
Investigate the Creation and Adoption of Neighborhood Design Standards	NH 3.8	Community Development Departments				
Conduct Rental Inspections	NH 2.2	Community Development Departments				
Implement Programs to Encourage Owner Occupancy & Retrofitting Homes for New Families (design manual etc)	NH 2, NH 3	Community Development Departments, MARC				
Implement New Neighborhood Sub-area Plans	NH 6	Community Development Departments				
Implement New Housing at Crisp Lake, Sterling Ave. and River Blvd.	NH 3	Developers, Neighborhood Groups, NWCDC, SCCDC, Public Works, Parks Dept, WPC, Public/Private Collaboration				
Educate Residents on Tools Available to Assist in Remodeling Housing Stock	NH 6.2, NH 6.3, NH 6.1	Community Development Departments, NWCDC, SCCDC	On-going			
Improve Citizen Participation by Holding Neighborhood Meetings and Promoting the (Re)establishment of Homeowners Associations	NH 4, NH 6	Community Development Department, Homeowner and Neighborhood Associations, NWCDC	On-going			
Convey Jackson County Land Trust Property for Residential Development	NH 3	Community Development Department, JCLT, NWCDC	On-going			
Continue to Improve Educational System	NH 4.2, NH 6.3	Community Development Department, School Districts	On-going			

At the end of the term, the entity granting the charter may renew the school's contract. Charter schools are accountable to their sponsor – usually a state or local school board – to produce positive academic results and adhere to the charter contract. The basic concept of charter schools is that they exercise increased autonomy in return for this accountability. They are accountable for both academic results and fiscal practices to several groups: the sponsor that grants them, the parents who choose them, and the public that funds them.

The intention of most charter school legislation is to:

- Increase opportunities for learning and access to quality education for all students;
- Create a choice for parents and students within the public school system;
- Provide a system of accountability for results in public education;
- Encourage innovative teaching practices;
- Create new professional opportunities for teachers;
- Encourage community and parent involvement in public education; and
- Leverage improved public education broadly.

Today, 41 states and the District of Columbia have enacted charter law legislation, with a total of 685,000 students enrolled in 2,695 charter schools nation-wide. Missouri passed charter school legislation in 1998 and today 12,130 students are enrolled in 27 schools. Because state law restricts charter schools to Kansas City, St Louis and Springfield, no charter schools are permitted in the City of Independence. Modifications to existing legislation would be necessary to make this a viable tool.

Additional information on tools discussed in this section can be found in Section IX of this chapter.

III. Implementation Strategy – Fairmount Business District (Fairmount Redevelopment Node)

The U.S. 24 Highway Corridor traditionally served as a major retail and business location catering to area residents and the highway vehicular traffic. Like so many first-tier suburbs, over the past several decades as new transportation corridors were constructed and the major employers which once served as the principal economic engines closed, the Corridor's economic base, housing stock, public infrastructure, and population demographics have deteriorated. The population is also aging in a place which has hampered retail trade and produced a growing trend in absentee property owners and rental housing. The U.S. 24 Highway Corridor Plan identified this location as a key redevelopment node. Descriptions of key action steps in Table 6-2 followed by a phasing map (Figure 6-1).

The Plan proposes an expanded district including the existing Fairmount Business District and Crisp Lake. The new District includes mixed-use development including retail and professional office space, row housing, live/work housing and senior housing. Through redevelopment of existing commercial structures as well as re-use of adjacent car dealerships and industrial properties the Fairmount Business District is expanded to create the critical mass of commercial space and businesses needed to foster a retail and entertainment destination. As described in Chapter 5, new mixed-use commercial developments would permit an additional 30,000 to 40,000 square feet of retail space. The City should draft and adopt an overlay zoning district for this expanded area to establish design guidelines for future development.

A catalyst for redevelopment will be the formation of an oversight group to help implement the plan and associated projects around the Fairmount Business District. This could include the formation of a citizen's group or a strong and active merchant association. For example, the role of a new merchant association could be to promote businesses, host special events, administer an advertising campaign, and maintain common areas. Funding could be provided via membership dues, revenue from special events, sponsorships, private donations, a special assessment district or Community Improvement District. Coinciding with the merchant association could be the expansion of the Midtown/Truman Road Corridor, or the creation of a new 353 Corporation would make the 353 Tax Abatement available to a larger inventory of commercial properties along the U.S. 24 Highway Corridor. This financial incentive could be used to lure small companies and real estate investors into the District and further support creating a stronger business climate. In addition, the creation of a marketing package for redevelopment of the area would begin to identify potential investors.

General steps toward accomplishing this task are:

- Identify interested owners and citizens
- Hold meetings with the group and the NWCDC
- Identify and secure funding for the group
- Review projects and current status
- Prioritize and actively become involved in key projects

Other tasks over the next several years should include a historic survey of the area and an evaluation of the potential of designating the Fairmount Business District as a Historic District. With designation of the Fairmount Business District as a historic district and registering individual properties, historic preservation incentives can be accessed, including rehabilitation historic tax credits and abatements, grants and loans for endangered properties, and revolving loan funds for building and facade improvements. Designation of the Fairmount Business District as a historic district will also assist in creating a unique character and market niche. A Historic Preservation Ordinance for the Fairmount Business District should outline building codes for historic districts and properties, establish design and review standards for new development, and manage a building demolition process.

The image of the Fairmount Business District will also be greatly enhanced through new streetscape improvements. Improved infrastructure will display the City's commitment in the redevelopment process and assist in attracting private sector investment in the form of property rehabilitation and new construction. Important infrastructure improvements include sidewalks connecting the Fairmount Business District with the adjacent residential neighborhoods, improved signage identifying public parking areas, improved lighting and uniform landscaping/improvements to public parking lots, seating in the common areas, and improved street lighting. A Neighborhood Improvement District or Community Improvement District could be formed within the Fairmount Business District to fund the costs of streetscape improvements. Other applications for the Fairmount Business District include funding the costs of maintaining common areas (i.e., sidewalks, public parking facilities, and open space) and promoting special events and area business. Establishment of a CID could coincide with a developer commitment to construct a new mixed-use project.

As part of this District and in conjunction with the public sector, other infrastructure improvements should be made. The Missouri Department of Transportation has begun making improvements to the Fairmount Bridge. The City should work toward securing transportation enhancement funds to make the bridge a secondary gateway into the District. By incorporating historically significant architectural details to the new bridge, it could serve as part of the Fairmount Business District and mark the beginning of the area's revitalization efforts. Local drainage problems, the relocation of utility transmission lines, and the realignment of parking are also needed to improve the area.

To further create potential development sites within the Fairmount Business District the City has several options, including purchasing property via land banking or eminent domain, removing clouded titles from privately purchased property, relocating existing businesses and residents, and demolition and clearing of new development sites. Because eminent domain is a politically unpopular redevelopment tool the City should investigate engaging in the practice of land banking.

Land banking will allow the City to assemble property over time suitable for redevelopment and to hold the property until a user, project or developer is identified. Through use of land banking the City can have more control over land use and design of redevelopment projects.

The City could foster redevelopment efforts through public-private partnerships. Applications of such partnerships include the development of senior and affordable housing as well as commercial/mixed-use projects whereby the City would be a tenant (i.e., recreation center, police substation or library). Public-private partnerships will also be important for redevelopment. This could begin with one-on-one conversations with the owners of the property about the vision for the area, the plan and the market analysis. Marketing pieces and further implementation analyses for this area may increase interest in this area. Targeting appropriate developers to implement parts of the Plan may also assist in changing the area. Once parcels are assembled, the City can solicit developer interest in redevelopment sites by issuing either a request for qualifications (RFQ) or request for proposals (RFP). The City may either determine land use and design of a redevelop-

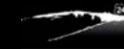


TABLE 6-2 FAIRMOUNT BUSINESS DISTRICT / REDEVELOPMENT NODE IMPLEMENTATION TABLE

ACTION STEPS	POLICY/PRINCIPLE REFERENCE NUMBER (Chapter 5)	COORDINATING / MANAGING ENTITY	YEAR			
			0-5 years	5-10 years	10-15 years	15-20 Years
Draft and Adopt an Overlay Zoning District / Design Standards for the New Expanded District Boundary	FB 5, FB 8, FB 2.1, FB 6	Cities of Independence and Sugar Creek Community Development Departments, ICED, Technical Advisory Group				
Establish Merchants Association and Associated Funding	FB 1.1	ICED, Chamber, NWCDC, Merchants, Local Banks				
Conduct Survey of Historic Structures	NH 5.1, NH 5.2, FB 2.1	Community Development Departments, SHPO				
Investigate and/or Adopt Historic Preservation Ordinance for Area or Nominate District for National Register of Historic Places	NH 5.1, NH 5.2, FB 2.1	Community Development Department, SHPO				
Adopt Street Standards and Construct Streetscape Improvements. Evaluate the need for a CID/NID	FB 5.2, FB 6, FB 7	Public Works and Community Development Departments, MoDOT, IPL, Business Owners				
Work with MoDOT on Bridge Improvements	FB 8	Public Works and Community Development Department, MoDOT				
Expand 353 Tax Abatement Program Area	FB 1, FB 2	Community Development Departments, ICED				
Develop a Marketing Plan and Business Recruitment Materials	FB 4.3	Community Development Departments, ICED				
Relocation of 1-2 Transmission Line Towers	FB 7	Public Works and Community Development Departments, MoDOT, IPL, Business Owners				
Public-Private Partnership for New Senior Housing	FB 9, NH 3.1	Community Development Departments, ICED, SCCDC, NWCDC, Chamber of Commerce, Churches, Area Seniors				
Code Enforcement	CW 4.3	Community Development Departments, ICED, SCCDC, NWCDC, Chamber of Commerce, City Manager	On-going			
Develop Private-Public Partnerships With Owners, Developers	FB 1.1, FB 2.1, FB 3	Community Development Departments, ICED, SCCDC, NWCDC, Chamber of Commerce, City Manager	On-going			
Infrastructure Improvements	FB 7, FB 8	Public Works and Community Development Departments, MoDOT, IPL, Business Owners	On-going			
Property Assemblage / Removal of Buildings in Poor Condition	FB 2, FB 4	Community Development Departments, ICED, SCCDC, NWCDC, Chamber of Commerce	On-going			
Redevelopment of Retail Core.	FB 2, FB 4	Community Development Departments, ICED, SCCDC, NWCDC, Chamber of Commerce	On-going			
Redevelopment of Adjacent Housing Areas.	NH 3.1	Community Development Departments, ICED, SCCDC, NWCDC, Chamber of Commerce	On-going			

ment site or request input from interested developers. To facilitate economically viable development and attract developer participation the City can use land write-downs which involves conveying property at below the acquisition price or fair market value.

Dictated by economics, renovation of existing buildings will lead private sector revitalization efforts. As shown in Figure 6-1, over the next five years the existing commercial buildings on the south side of U.S. 24 Highway offer the greatest potential to support revitalization. These buildings possess a distinctive architecture, a strong street presence and the ability to link with adjacent neighborhoods. Financial incentives will likely be required to facilitate financially feasible redevelopment of the existing commercial buildings. The growing demand for senior housing will fuel the second stage of redevelopment, with a senior housing community proposed for the northwest corner of U.S. 24 Highway and Wilson Road. Forecast over a 5 to 10-year horizon, construction of senior housing will assist in stimulating revitalization efforts on the north side of U.S. 24 Highway. MoDOT is purchasing this property for the purpose of rebuilding the bridge on U.S. 24 Highway. The City should negotiate with MoDOT regarding the acquisition of any residual developable land.

Another step will be to increase the population base and improve demographics. The increased levels of disposable income and potential retail sales will assist in escalating demand for additional consumer goods and services, which in turn will create demand for new businesses and commercial space. Over the next 5 to 10-year horizon, new row housing along the north side of Cedar Avenue is supportable. In connection with the senior housing and row housing, investments in the public infrastructure must be made, including right-of-way abandonment and new streetscape improvements. Potential funding sources include a Community Improvement District, Tax Increment Financing and Transportation Development District. With the senior housing, row housing and new streetscape improvements in place, as well as escalating retail rents, redevelopment of the 1-story commercial buildings in favor of multi-story, mixed-use buildings on the north side of U.S. 24 Highway from Wilson Road east to Ash Avenue become feasible. A 10 to 15-year horizon is forecast to complete this task.

The property at the northeast corner of U.S. 24 Highway and Ash Avenue serves as an excellent redevelopment site given the ample highway frontage. This site will be ideal for a single user such as a medical clinic, restaurant and bar, or specialty retailer. Development could occur simultaneously with redevelopment of the commercial buildings to the west.

The Crisp Lake area serves as a “jewel” redevelopment opportunity, and, thus will be best developed near the close of the redevelopment process. Additional studies (drainage, water quality, ownership, etc.) and consultation with property owners will be necessary before realistic development plans can be put into place. Here, the City should investigate how to capitalize on a beneficial public-private redevelopment opportunity. A 15 to 20-year horizon is forecast.

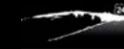
Additional information on tools discussed in this section can be found in Section IX.



Figure 6.1 Area Business District Phasing

- 0-5 Years
- 5-10 Years
- 10-15 Years
- 15-20 Years





IV. Implementation Strategy - Mixed-Use Areas (Sterling & River Redevelopment Nodes)

Key catalyst projects to stimulate redevelopment of the Corridor will be the proposed mixed-use projects at Sterling Avenue and River Boulevard as they intersect U.S. 24 Highway. As described in Chapter 5, these locations could capture 40,000 to 50,000 square feet of new retail. Potential land uses would also include medium to high-density residential. General steps to achieving this task could include:

- Establish a “Planned Area Development” district for the targeted intersections
- Determine land use and building design standards
- Resolve infrastructure or site issues
- Meet with property owners and provide background information
- Determine development barriers and identify any necessary incentives
- Consolidate property
- Solicit development proposals
- Enter into agreement with developer

The intersection of Sterling Avenue and U.S. 24 Highway is situated at the Corridor’s busiest intersection and is ideally positioned to benefit from the future employment-related development at the Sugar Creek Business Park. Its southeast corner is



designated as a mix of commercial, market-rate row housing, and high-density multi-family housing. The multi-family housing would abut onto Bundschu Park, creating a desirable amenity. Redevelopment of this site will require considerable site work in the form of grading, stormwater detention, new streets and utility extensions. Potential funding sources for the required infrastructure improvements include Tax Increment Financing; Transportation Development District; Neighborhood Improvement Districts; and Community Improvement District.

The City of Sugar Creek is pursuing an opportunity to redevelop the northwest corner of U.S. 24 Highway and Sterling Avenue with a grocery store anchored neighborhood shopping center. Impediments to successful development have included excessive site preparation costs and insufficient retail market rents. Development of this site may require pursuing an alternative development format for the designated mixed-use site at the southeast corner of U.S. 24 Highway and Sterling Avenue. Open communication and cooperation between the Cities of Independence and Sugar Creek will be critical to successfully redeveloping Sterling Avenue.

The proposed mixed-use area at the northwest corner of U.S. 24 Highway and River Boulevard is designated for a mix of commercial, single-family housing, and high-density residential. The redevelopment site benefits from its location at a section-line corner, panoramic views, potential trails, and proximity to forested green spaces, Mill Creek, the Truman Presidential Museum and Library, and Independence Square.

The City could begin by actively marketing these two redevelopment nodes to commercial developers. For example, the City could offer financial and entitlement incentives to attract a modern grocery store necessary to facilitate neighborhood shopping center development within the designated mixed-use areas. The designated mixed-use area at U.S. 24 Highway and River Boulevard is located within the Midtown/Truman Road Corridor and commercial property owners can take advantage of the 353 Tax Abatement. This financial incentive should be better promoted in order to stimulate private investment. At the Sterling Node the City could do the same and provide incentives. This would involve the replacement of the existing low-income housing with market rate housing. A partnership with existing owners will be necessary especially to replace the existing high-density housing.

To further create potential development sites within each redevelopment node the City has other options, including purchasing property via land banking or eminent domain, demolition and clearing of new development sites. Land banking will allow the City to assemble property over time suitable for redevelopment and to hold the property until a user, project or developer is identified. This is especially relevant since the purchase of the high density apartment property may be necessary in order to encourage redevelopment of the area. The same is true for the River Boulevard Node with the purchase of the residential property to the northwest.

A long-range objective should be new streetscape improvements at each intersection. Coordinated streetscape and signage improvements will enhance the image of the areas. Improved infrastructure will display the City’s commitment in the redevelopment process. Important infrastructure improvements include sidewalks, a recreational off-street trail system, and improved street lighting. The extension of the streetscape from the Truman Presidential Library to River Boulevard should be coordinated with the redevelopment of the area. The streetscape should create a unified image. The funding of the streetscape could include a partnership between the Truman Presidential Museum and Library, developers and the Cities.

Overall, the market analysis supports long-term redevelopment of each of these intersections. Redevelopment could occur on any corner, even if it was not specifically identified by this study. However, any redevelopment will need municipal support by both the Cities of Independence and Sugar Creek. Possible phasing scenarios are illustrated in Figures 6.2 and 6.3.

Additional information on tools discussed in this section can be found in Section IX.



Figure 6.2 Sterling Redevelopment Node

	0-5 Years
	5-10 Years
	10-15 Years
	15-20 Years

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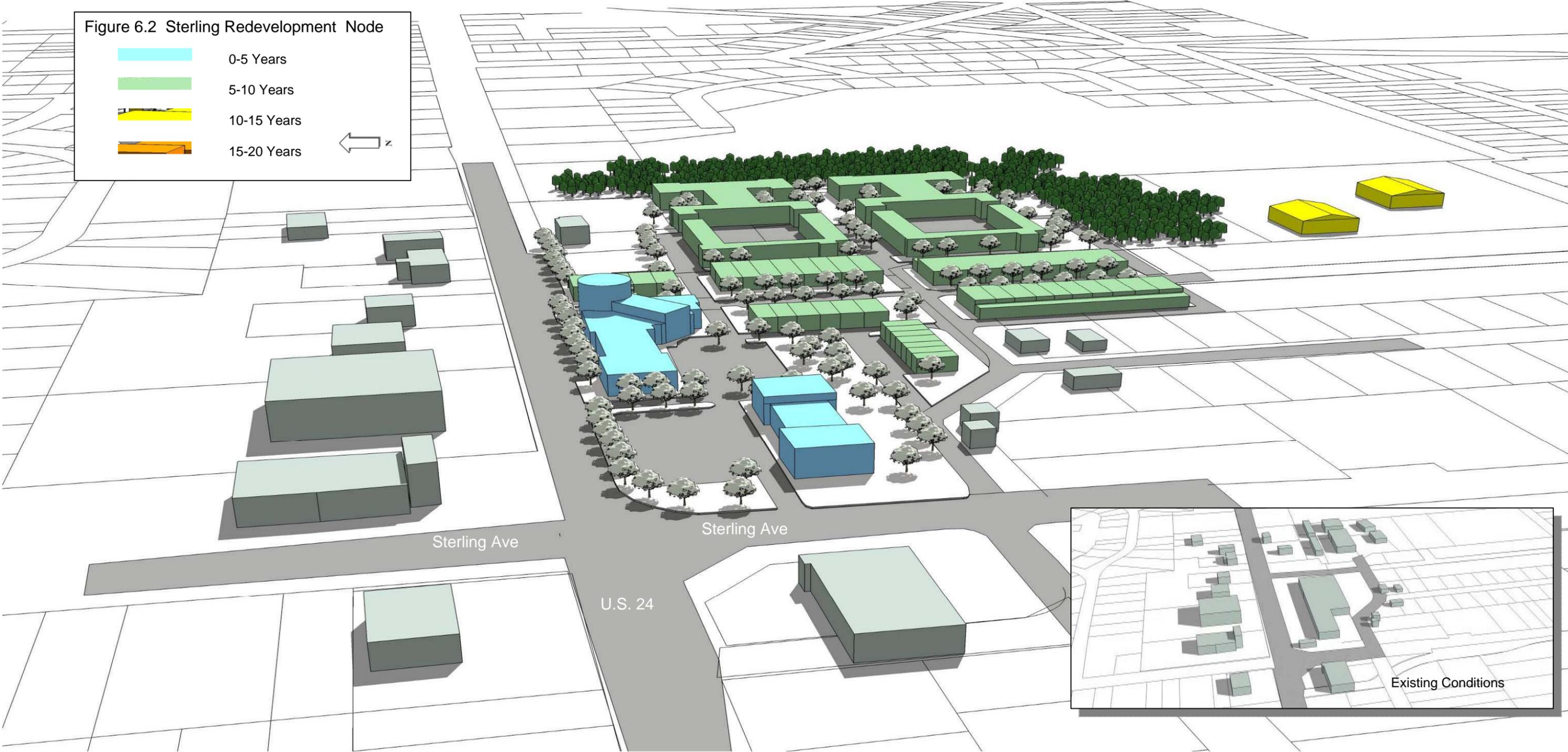




Figure 6-3. River Redevelopment Node

- 0-5 Years
- 5-10 Years
- 10-15 Years
- 15-20 Years





V. Implementation Strategy – Commercial District

As described in Table 6-4, the revitalization of commercial areas outside of mixed-use areas and the Fairmount Business District should gradually occur over time. The cities of Sugar Creek and Independence should work together to encourage the redevelopment of underutilized areas to new commercial or residential uses. One key first step, the creation of design standards, will improve the aesthetics of the area and attract new businesses. In addition, assisting in assembling properties where possible will be important to encourage redevelopment and better use of the land. The City should also continue to consider land use proposals for uses other than retail. Office, civic and housing uses will break up the intensity of the commercial corridor. Rezoning of parcels to other uses could occur over time.

The City should also begin to work on addressing access control improvements to improve safety. This could include a new access control plan. Access improvements should consider the need for new pedestrian amenities and streetscape. These new features such as sidewalks will connect these areas to the mixed-use centers, neighborhoods and the Fairmount Business District. The acquisition of open space and trails will also demonstrate a commitment to the area and provide a relief form commercial areas. Overall, the market analysis supports the redevelopment of these areas. Additional information on tools discussed in this section can be found in Section IX.

ACTION STEPS	POLICY/PRINCIPLE REFERENCE NUMBER (Chapter 5)	COORDINATING / MANAGING ENTITY	YEAR			
			0-5 years	5-10 years	10-15 years	15-20 Years
Develop a Marketing Plan and Business Recruitment Material that Promotes the Location of these Mixed-Use Areas	MU 1.1, MU 1.3	Cities of Independence and Sugar Creek Community Development Departments, ICED				
Draft and Adopt an Overlay Zoning District and Design Standards	MU 3	Cities of Independence and Sugar Creek Community Development Departments, Technical Advisory Group				
Modify Current Zoning or Create a New Category to Promote Mixed-Use Development and Higher Densities	MU 1.4, MU 3	Community Development Department				
Market Mixed-Use Areas to Grocery Chains, Commercial and Housing Developers	MU 1.3	Cities of Independence and Sugar Creek Community Development Departments, ICED, SCCDC, Chamber of Commerce, Realtors				
Public-Private Partnership for Housing	NH 1, NH 6	Cities of Independence and Sugar Creek Community Development Departments, CDBG				
Develop Private-Public Partnerships With Owners, Developers	NH 1, NH 6	Cities of Independence and Sugar Creek Planning Department, ICED, SCCDC, NWDCD, Chamber of Commerce, City Manager				
Assist in the Assemblage and Planning of Mixed-Use Areas (including key housing areas)	MU 1.1, MU 1.3	Cities of Independence and Sugar Creek Community Development Departments, ICED, SCCDC, Chamber of Commerce, Realtors				
Administer Streetscape Improvements Including Extension of Truman Library Streetscape	MU 3, MU 2	Public Works and Community Development Departments of Independence and Sugar Creek, MoDOT, Business Owners, Truman Library				
General Revitalization Efforts	MU 1	Cities of Independence and Sugar Creek Community Development Departments, ICED, SCCDC, Chamber of Commerce, Realtors	On-going			

ACTION STEPS	POLICY/PRINCIPLE REFERENCE NUMBER (Chapter 5)	COORDINATING / MANAGING ENTITY	YEAR			
			0-5 years	5-10 years	10-15 years	15-20 Years
Draft and Adopt Design Standards	CW 4, CD 3	Cities of Independence and Sugar Creek Community Development Departments, Technical Advisory Group				
Assist in Property Assemblage	CW 3, CD 1	Cities of Independence and Sugar Creek Community Development Departments, ICED, SCCDC, Chamber of Commerce, Realtors				
Implement Access Control Improvements	TS 3	Cities of Independence and Sugar Creek Community Development Departments, MODOT				
Administer Streetscape Improvements	CW 4	Public Works and Community Development Departments of Independence and Sugar Creek, MoDOT, Business Owners				
General Revitalization Efforts	CD 1, CW 1	Cities of Independence and Sugar Creek Community Development Departments, ICED, SCCDC, Chamber of Commerce, Realtors	On-going			





VI. Implementation Strategy - Gateways (Western & Eastern Redevelopment Notes)

Eastern and western “gateways” are proposed for the U.S. 24 Highway Corridor Study. The Truman Presidential Library has been designated as the eastern gateway while the area along Rock Creek north of Mt. Washington Cemetery has been designated as the western gateway. Development of the designated gateways will assist in improving the image of the U.S. 24 Highway Corridor. These areas represent some of the biggest opportunities to make a change in the Corridor. General steps to achieving this task could include:

- Amend Parks, Recreation and Open Space Master Plan to include recommendations
- Establish a “Planned Area Development” district for the areas
- Resolve infrastructure or site issues
- Meet with property owners and provide background information
- Determine development barriers and identify any necessary incentives
- Consolidate property
- Solicit development proposals and enter into agreement with developer
- Identify and secure funding sources
- Construct streetscape and trails projects
- Redevelop property

The western gateway encompasses Rock Creek, which is included in the list of approved projects for sales tax revenues dedicated for open space improvements. Given this head start, development of the western gateway could occur over the next five years. The gateway will “play off” the adjacent natural environment and future recreational amenities. The City should encourage complementary commercial development in the western gateway (less than 15,000 square feet). This may be done as part of an overlay district or through voluntary measures. Development of commercial uses will foster the opportunity to create public-private partnerships to help subsidize initial capital costs as well as ongoing operating costs of the public open space. Potential public-private partnerships include sponsorships, concession agreements, and granting of exclusive property development rights. Potential commercial uses include a restaurant overlooking Rock Creek, a bike shop, coffee shop and nursery/flower-fruit stand. The western gateway’s commercial uses would be ideal for operation under public-private partnerships. Figure 6.4 illustrates existing building patterns and possible future phasing for this area. The City should immediately begin to work with the property owner or future buyer to create a vision for the area.

The eastern gateway would be themed in a manner that is befitting of the Truman Presidential Museum and Library. Though no new commercial use is planned, future gateway streetscape improvements should be coordinated with the redevelopment outlined in the River Street Mixed-Use Node. Streetscape improvements to both areas will build upon the existing landscape and previous streetscape investment. For the western gateway, this will include a landscaped

boulevard and lighting improvements. For the eastern gateway, this will include extending existing streetscape improvements (lighting, landscaping, etc.) at the Truman Library to River Boulevard.

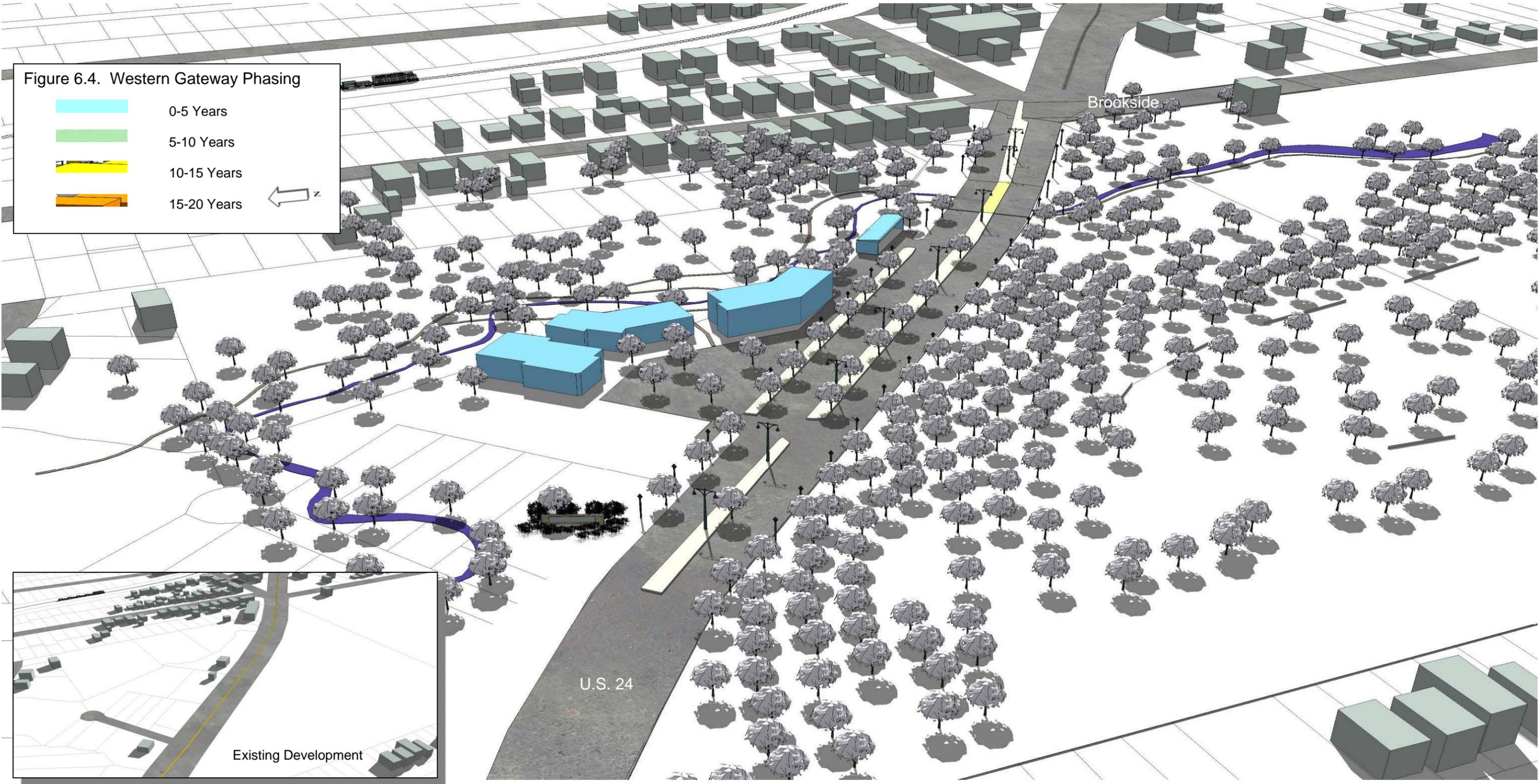
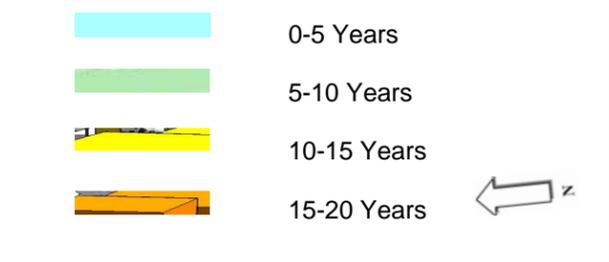
The redevelopment of areas adjacent to these gateways should follow, using the tools described in this Chapter. Additional information on tools discussed in this section can be found in Section IX.

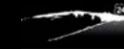
TABLE 6-5 WESTERN AND EASTERN GATEWAY NODE IMPLEMENTATION TABLE

ACTION STEPS	POLICY/PRINCIPLE REFERENCE NUMBER (Chapter 5)	COORDINATING / MANAGING ENTITY	YEAR			
			0-5 years	5-10 years	10-15 years	15-20 Years
Incorporate Gateway Designs into Parks Master Plan	GW 1	Parks Department, Public Works, Community Development Department of Sugar Creek and Independence, MODOT, Public Works				
Administer Streetscape Improvements (median, lighting, landscaping)	GW 3	Parks Department, Public Works, Community Development Departments of Sugar Creek and Independence, MODOT, Public Works				
Redevelopment of Western Gateway Including New Commercial Development and Trailhead	GW 2, GW 3	Parks Department, Public Works, Community Development Department of Independence, MODOT, Public Works , NWDCD, Design Competition				
Develop a Marketing Plan and Development Strategies that Further Integrate Gateways with Heritage Tourism Objectives	GW 3.6	Cities of Independence and Sugar Creek Community Development Departments				
Draft and Adopt an Overlay Zoning District	GW 3	Cities of Independence and Sugar Creek Community Development Departments, Technical Advisory Group				
Extend Improvements for Eastern Gateway	GW 3	Parks Department, Public Works, Community Development Department of Independence, MODOT, Public Works, Truman Library, Business Owners				
General Revitalization Efforts	CD 1, CW 1	Cities of Independence and Sugar Creek Community Development Departments, ICED, SCCDC, Chamber of Commerce, Realtors				



Figure 6.4. Western Gateway Phasing





avoid conflicts with traffic. In addition, new transit stops should be provided at each redevelopment node.

An access control plan should also be developed in conjunction with MoDOT. This plan should incorporate the designated redevelopment areas, and the potential for general redevelopment and consolidation of property in other areas of the Corridor. The plan should also include the need to provide other pedestrian and streetscape amenities identified in this Plan.

Overall, the infrastructure in this area is aging and an improvement phasing plan is necessary to ensure that the area's transportation network meets the need of changing land uses. Additional information on tools discussed in this section can be found in Section IX.

VII. Implementation Strategy - Transportation Systems

The U.S. 24 Highway Corridor Study envisions an integrated transportation system. Creating a pedestrian-oriented environment in key places along the Corridor is critical to rejuvenating the commercial districts. Within the Fairmount Business District, traffic calming and movement must be a priority. Using streetscape elements associated with the bridge, re-orientation of parking, and the development of new east-west connectors, the pedestrian shopping experience will be more easily facilitated.

In conjunction with these activities, pedestrian connections in the Fairmount Business District and other redevelopment nodes should be improved. Through the use of possible funding sources as Neighborhood Improvement Districts, Community Improvement Districts, Transportation Development Districts and streetscape improvements such as curbing, sidewalks and landscaping could be constructed.

The U.S. 24 Highway Corridor's infrastructure is also deteriorating and does not promote pedestrian movement. The City and MoDOT must continue to work cooperatively to design and fund new streetscape improvements as well as sidewalks within each redevelopment node. The new bridge leading to the Fairmount Business District is an excellent example of the cooperative effort required. Other coordination efforts should begin with MoDOT, such as the possible transition to parallel parking in the Fairmount Business District. New cross sections through this area would need to be developed that incorporate the desired future condition.

A multi-modal transportation network should be implemented including bike, pedestrian, and transit elements. The recommended recreational trail system as shown on the Framework Plan Map (page 5-4) should be implemented. This will allow pedestrians to use off-street systems and





TABLE 6-6 TRANSPORTATION IMPLEMENTATION TABLE

ACTION STEPS	POLICY/PRINCIPLE REFERENCE NUMBER (Chapter 5)	COORDINATING / MANAGING ENTITY	YEAR			
			0-5 years	5-10 years	10-15 years	15-20 Years
Work with MODOT on a Final Approved Cross-Section for Each Gateway and the Fairmount Business District	TS, 4.1 CW 3.2	MODOT, City Public Works				
Promote Traffic Movement and Calming Techniques in Fairmount Business District	TS 1.2	MODOT, City Public Works, Neighborhood Watch				
Implement Landscaping and Sidewalk and Improvements	TS 4.4, TS 5.2, TS 5.3, TS 5.4	MODOT, City Public Works				
Implement New Bridge Improvements Near Fairmount Business District. Investigate Funding Sources For Design Enhancements	TS 4.1, TS 4.4, TS 5.2, TS 5.3, TS 5.4	Community Development Department, Public Works				
Implement and Adopt Bikeway Plan	TS 5.1	Community Development Department				
Develop and Adopt Design Standards as they Relate to Signage and Lighting	NH 3.8, FB 5, FB 8, MU 3	Community Development Department				
Construct Pedestrian Linkages between Business Districts and Residential Neighborhoods	TS 5.4, TS 5.2, TS 5.3	Neighborhood Groups, City Parks and Recreation, Public Works and Community Development Department				
Promote a Multi-Modal Network	TS 1.1, TS 4.4, TS 5.3	Neighborhood Groups, City Parks and Recreation, Public Works and Community Development Department, MARC, ATA				
Continue to Enforce Existing Codes as Well as Promote Activities to Ensure Clean Streets	CW 4	Community Development Department	On-going			
General Improvements Including Access Control Plan	TS 3.1, TS 3.2	MODOT, City Public Works	On-going			

VIII. Implementation Strategy - Natural Resources, Parks & Open Space

The natural resource areas and green space will play an important role in improving the livability of the U.S. 24 Highway Corridor as well as provide a distinctive community image and amenity. The gateways, Crisp Lake, Rock Creek and Sugar Creek open space and other recreation recommendations in the U.S. 24 Highway Corridor Study should be adopted into a revised parks master plan.

The initial phase of revitalization of the U.S. 24 Highway Corridor involves development of the western gateway which includes Rock Creek. Rock Creek Trail is included in the City's Parks, Recreation and Open Space Master Plan Map and sales tax revenue has been allocated for development. The City should make development of Rock Creek Trail as it intersects with U.S. 24 Highway a priority, with a 0 to 5-year horizon recommended.

As shown on the Framework Plan Map in Chapter 5 on page 5-3, trail and pedestrian connections between Rock Creek, Fairmount Business District, Crisp Lake, and Sugar Creek is critical to building a stronger community. The trail system can also be used to further link commercial areas in the Corridor. The Crisp Lake area holds significant natural resource and redevelopment potential, both of which can be sensitively capitalized on without conflict. The City should work with the Department of Natural Resources to improve these waterways, and investigate the possibility of parcel assembly. If redevelopment occurs, the City and its partners should consider monitoring water quality and pollutant levels, dredging Crisp Lake, and restoring riparian habitat along the edges of Crisp Lake. Continual activities should include improvement of parks within the influence area and the continual planning and construction of an off-street trail system.

Additional information on tools discussed in this section can be found in Section IX.





TABLE 6-7 NATURAL RESOURCES, PARKS AND OPEN SPACE IMPLEMENTATION TABLE

ACTION STEPS	POLICY/PRINCIPLE REFERENCE NUMBER (Chapter 5)	COORDINATING / MANAGING ENTITY	YEAR			
			0-5 years	5-10 years	10-15 years	15-20 Years
Implement Riparian Buffer Standards and Investigate Buffer Standards for Other Natural Resources	NR 1	MARC, DNR, Community Development Department, Parks and Recreation, Water Pollution Control				
Incorporate Gateways, Crisp Lake and Sugar Creek into Parks Master Plan	NR 1.4, NR 1.2, NR 1.1, NR 2.3, NR 2.5, NR 2.4	Community Development Department, Parks and Recreation				
Locate ROW of Future Off-Street Trails and Require Dedication by Private Developers	NR 2.6, NR 2.7 NR 2.2, NR 2.1	Community Development Department, Parks and Recreation				
Continue to Investigate the Relocation/Addition of Hink and St. Clair Parks	NR 2.6, NR 2.7, NR 2.2, NR 2.1	Community Development Department, Parks and Recreation				
Acquire Public Area on Crisp Lake and Construct Trail	NR 2.6, NR 2.7, NR 2.2, NR 2.1, NR 2.5, NR 2.3	Community Development Department, Parks and Recreation				
Continue to Investigate Ways to Improve Stormwater Management	NR 2.5, NR 2.3	Public Works, MARC				
Work on Reclamation Activities as they Relate to Crisp Lake and Sugar Creek	NR 1.3, NR 1.4, NR 1.1, NR 2.3	Parks, Neighborhood Groups, WPC, Public Works, Private Developer, DNR				
Continue to Improve Facilities within Existing Parks	NR 2.5, NR 2.4		On-going			
Coordinate with MARC regarding Trail Locations. Outline in Plan to Ensure Regional Linkages	NR 2.6, NR 2.7, NR 2.2, NR 2.1	Community Development Department, Parks and Recreation, MARC	On-going			
Acquire Through Fee-Purchase or Conservation Easement Open Space Areas and Trails	NR 2.1, NR 2.3, NR 2.4, NR 2.5	MARC, DNR, Community Development Department, Parks and Recreation	On-going			

IX. Implementation Tools – Corridor-Wide

Many public programs, private and legislative tools are available for revitalization activities in Missouri. Below is a list of additional tools for the public sector to encourage private sector involvement and investment (also see Table 6-6). Because many of the tools have been or currently are being used, this section describes their effectiveness and suggests options to better apply them in the future.



A. Tools Utilizing Property Tax Abatement

353 Tax Abatement

Description

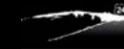
Chapter 353 of the Missouri Revised Statutes allows Urban Redevelopment Corporations in certain cases to receive property tax abatement equal to 100% of property taxes, excluding land value, for 0-10 years and 50% of property taxes for years 11-15. The tax abatement is granted to a “353” Development Corporation who then may “pass on” the abatement to other property owners who conform to the Corporation’s approved Development Plan. While the City of Independence has not typically granted eminent domain powers, state law allows the Development Corporation to be granted eminent domain powers by the City Council in order to facilitate a particular redevelopment proposal.

Summary of Steps:

1. 353 Corporation must be formed.
2. Blight Study must be completed.
3. 353 Corporation proposes a redevelopment plan to the City.
4. Tax Impact Analysis must be completed and sent to all taxing jurisdictions.
5. City sends notice to property owners within the proposed 353 area.
6. Planning Commission holds public hearing and then makes recommendation to City Council regarding plan for development or redevelopment.
7. City Council may approve Plan and declare area blighted. Once Plan is approved, the 353 Corporation receives tax abatement for property it acquires and uses in compliance with the Plan.



TABLE 6-8 APPLICABILITY OF INCENTIVES AND TOOLS TO DISTRICTS						
	NEIGHBORHOODS	FAIRMOUNT BUSINESS DISTRICT	MIXED USE AREA	COMMERCIAL STRIP REDEVELOPMENT	TRANSPORTATION AND GATEWAYS	NATURAL RESOURCES, PARKS AND OPEN SPACE
Property Tax Abatement	<ul style="list-style-type: none"> • 353 • LCRA 	<ul style="list-style-type: none"> • 353 • LCRA 	<ul style="list-style-type: none"> • 353 • LCRA 	<ul style="list-style-type: none"> • 353 • LCRA 		
Tax Credits	<ul style="list-style-type: none"> • Low Income Housing Tax Credits (LIHTC) • NPA • 25% State or 20% Federal Historic Tax Credits 	<ul style="list-style-type: none"> • Satellite Enterprise Zone • Rebuilding Communities • 25% State, 10% Federal or 20% Federal Historic Tax Credits • Neighborhood Assistance Program • LIHTC 	<ul style="list-style-type: none"> • Satellite Enterprise Zone • Rebuilding Communities • LIHTC 	<ul style="list-style-type: none"> • Rebuilding Communities • Satellite Enterprise Zone 	<ul style="list-style-type: none"> • Neighborhood Assistance Program (NAP) 	
Funding or Financing through Taxes or Assessments	<ul style="list-style-type: none"> • Community Improvement District (CID) • Neighborhood Improvement District (NID) 	<ul style="list-style-type: none"> • CID • NID • Transportation Development District (TDD) • Tax Increment Financing (TIF) 	<ul style="list-style-type: none"> • CID • NID • TDD • TIF 	<ul style="list-style-type: none"> • CID • NID • TDD • TIF 	<ul style="list-style-type: none"> • CID • NID • TDD • TIF 	<ul style="list-style-type: none"> • CID • NID • TIF
Low-interest Loans	<ul style="list-style-type: none"> • First Place Program 	<ul style="list-style-type: none"> • First Place Program (to purchase condominium townhomes) 	<ul style="list-style-type: none"> • First Place Program (to purchase condominium townhomes) 			
Grants	<ul style="list-style-type: none"> • CDBG • HOME • Weed & Seed • LISC • Truman Heartland Community Foundation • Bayer Foundation • COMBAT • First-time Home Buyer Grants (City) • KCNA Neighborhood Self Help 	<ul style="list-style-type: none"> • CDBG • HOME • Missouri Housing Trust Fund • Weed and Seed • LISC • Truman Heartland Community Foundation • COMBAT • City Facade Improvement Program 	<ul style="list-style-type: none"> • CDBG • HOME • Missouri Housing Trust Fund • LISC • City First-time Home Buyer Grant (to purchase condominium townhomes) 	<ul style="list-style-type: none"> • TE 	<ul style="list-style-type: none"> • TEA 21 • TE 	<ul style="list-style-type: none"> • Truman Heartland Community Foundation • Bayer Foundation • KCNA neighborhood grants
Methods of Acquisition	<ul style="list-style-type: none"> • Non-profit takes ownership of abandoned house & rehabilitates it. • Acquisition of Jackson County Land Trust properties. 					



The amount and duration of abatement is specified in the Plan the Council approves. The 353 Corporation may transfer any property it acquires and the new owner will retain the tax abatement (i.e. the property tax abatement is “passed on”). The deed can then be transferred back to the owner if desired. The effective duration of the Plan (or the time during which tax abatement is available) is specified in the Plan, but in no case exceeds 25 years. Phases may also be specified in the Plan which specify dates when different areas will be developed or redeveloped.

Past Use of 353 Tax Abatement in Independence

A 353 Development Plan has been adopted for the Midtown/Truman Road Corridor (M/TRC) area, which includes U.S. 24 Highway between Forest Ave. and Delaware St. Owners of property in this area who wish to gain property tax abatement must make application to the M/TRC office and follow the development or redevelopment standards, which includes a minimum expenditure and adherence to certain design standards. Property owners along the south side of U.S. 24 Highway have not taken advantage of this tax abatement incentive. One reason is that, while the original M/TRC Plan was adopted in 1995, the Plan did not include the south side of U.S. 24 Highway until 2000, and even then properties on U.S. 24 Highway were not eligible until design guidelines were approved in 2002. Another reason property owners have not taken advantage of the tax abatement opportunity is that they simply do not know it is available.

Potential Use Within the U.S. 24 Highway Corridor

There is a great likelihood that the U.S. 24 Highway Corridor properties in the M/TRC area could be redeveloped through this incentive. The Thriftway and adjacent shopping center are all inside the current M/TRC area and would be great candidates for being redeveloped using this incentive. The administration for using this tool also is already in place. The program is administered by staff contracted by the M/TRC Redevelopment Corporation Board.

Use of the 353 tax abatement tool in other areas of the U.S. 24 Highway Corridor is currently not available. One concept is to expand the current M/TRC area. This may be somewhat of a challenging process. First, the current M/TRC Board must agree to the expansion and they would then control the entire process. Second, in order to approve a Plan that incorporates a larger area, notification will have to be sent to all the owners of property within both the present M/TRC area and the proposed additional area.

Another way of using the 353 Tax Abatement incentive in other areas of the U.S. 24 Highway Corridor is to create a new 353 Corporation that could submit one or more Development Plans for approval. The Corridor Plan being developed for U.S. 24 Highway could function as the backbone or basis for the 353 Development Plan(s). Several approaches exist, each with their respective pros and cons: 1) one 353 Plan for a very large area, 2) multiple plans for each property redevelopment proposal, or 3) plans for each small neighborhood. A description of each follows:

a. One 353 Development Plan for a large area:

This strategy would be consistent with what is being done with the current M/TRC Corporation. The M/TRC Corporation has been successful, but it must be remembered that they have received operating funds annually from a TIF to administer the parcel-specific tax abatement program. The M/TRC Corporation also has a well-organized board, an office in the M/TRC neighborhood, and well-established procedures involving professional administration and inspections to process requests for parcel-specific tax abatement. All these features would need to be replicated in order to see the same kind of success, or any success, in a large-scale tax abatement program throughout the U.S. 24 Highway Corridor.

The purpose of a single 353 tax abatement tool will be to secure ongoing operating funding for inspection and administrative staff. There is already in place a TIF for Mt. Washington that could provide up to \$250,000. However, the amount that has actually come from this TIF for such purposes has not reached more than \$10,000 in total. This funding must be used for the Fairmount commercial district, not for the entire U.S. 24 Highway Corridor.

The City of Independence could partner in administering the program, however this would require additional funding. The City may be able to devote staff to process and review submitted applications, as well as to complete required inspections. This could easily require an additional full-time position. Otherwise, funding would be needed in order to contract administration and/or inspection services.

b. 353 Development Plan for each specific property redevelopment proposal:

This strategy would resemble what has happened in Kansas City, Missouri for the last several years. There, 353 Redevelopment Corporations submit Development Plans for small parcels of land using many of the same procedures for Plan approval in the City of Independence and granting of the tax abatement. However, Kansas City’s method of creating 353 areas has proven cumbersome and follow-up responsibilities for the City are heavy. As a result, the Kansas City Development Management Department has created “template” 353 Development Plans which make submission and processing of 353 Plans comparatively simple. It is possible that a template 353 Plan, in application form, could be made available to property owners in the U.S. 24 Highway Corridor. The application/template 353 Plan could include elements of the U.S. 24 Highway Corridor Study, or even specifications for design elements that must be included in residential or commercial redevelopments, whichever may be applicable to the property being redeveloped. After a property owner “fills in the blanks,” he or she could submit the plan for approval to the City. The current application fee of \$2,000 may be cost-prohibitive for smaller projects and may need to be revised. State law requires that a 353 Redevelopment Corporation be the sponsor of the Development Plan and area. Each area would have to have either a separate 353 Corporation or the City might have to incorporate its own 353 Corporation. Either way, it may be beneficial to

have the board members of this Redevelopment Corporation come from those who have been involved in the U.S. 24 Highway Corridor Study process.

c. New 353 Development Plans for each small neighborhood:

One limitation to the first and second approaches discussed above is that they may not target redevelopment efforts at a small scale. If isolated individual redevelopment projects happen anywhere along the U.S. 24 Highway Corridor, improvements are likely to have little impact if surrounding properties remain unimproved. An alternative approach to address this issue would be to have 353 Development Plans for small district or neighborhood areas. The benefit of this third approach is that it creates concentrated pockets of redevelopment activity, such as in the Fairmount Business District. Individual neighborhood areas ranging from 2 to 20 blocks would be other candidates. Using the 353 tax abatement incentive under this approach would likely be coupled with other strategies or implementation tools to see changes in more than one way. For instance, a 353 Development Plan could be submitted for a neighborhood that successfully organizes a Neighborhood Crime Watch or one that creates a Neighborhood or Community Improvement District to fund infrastructure improvements. As with the other two approaches, a Redevelopment Corporation will need to be formed, redevelopment will need to adhere to specified design standards and inspections of redevelopment efforts will need to be made. These details will need to be addressed regardless of which approach is used.

Land Clearance Redevelopment Authority (LCRA)

In 1958, the Independence City Council adopted an LCRA enabling ordinance. The same year, Independence voters approved a measure accepting the provisions of the Redevelopment Law. Originally, the Independence City Council exercised the community's LCRA power directly. But in 1960, the City Council transferred the exercise of that power to a separate LCRA, as the Redevelopment Law allows. Independence subsequently adopted multiple urban renewal plans under the Redevelopment Law.

In 1975, the City Council adopted Resolution 928, authorizing the LCRA to "close out the neighborhood development program and acknowledging that the assets and liabilities become the property" of the city. In 1977, the City Council adopted Ordinance No. 4830, accepting all remaining responsibilities from the LCRA for a separate urban renewal project. A recent court ruling has determined that the previously approved LCRA plans are still valid and property within the existing plan areas could be eligible for tax abatement per statutory requirements.

Based on the recent court determination, the City is currently reevaluating the use of LCRA provisions to provide incentives for redevelopment. The state statute allows for property within the approved plan area to request tax abatement on the improvements or the increase in property tax valuation for a 10-year period. This basically has the effect of 'freezing' the property tax assessment prior to redevelopment for a 10-year period.

It should be noted that only a small portion of the Corridor (the south side of U.S. 24 Highway roughly between Delaware St. and River Blvd.) is currently covered under an LCRA Plan. In order to effectively use this tool, a larger portion of the Corridor would need to be designated under an LCRA Plan. While the City is currently evaluating its options regarding LCRA Plans, it is unlikely that the City will designate new plan areas.

Under case law and state statute provisions the LCRA is considered tax exempt. As such, the Authority could purchase real estate property and personal property and lease these assets to a for-profit-entity thereby reducing the tax responsibility for the for-profit-entity.

Satellite Enterprise Zone (established prior to December 2004)

Description

Most of the northwest part of Independence is within a Missouri Enterprise Zone. It is called a "satellite" enterprise zone because there was already an original Enterprise Zone in Independence when the Northwest Independence Satellite Enterprise Zone was created in 2000. This designation not only provides tax abatement as an incentive, but also tax credits to qualifying businesses. In this section only the tax abatement will be described. Tax credits available through this program are described in the following section.

Real property tax abatement equal to half of the property taxes is available to certain types of businesses in the Satellite Enterprise Zone that invest at least \$100,000 and create two new jobs. The tax abatement lasts for ten years. The types of businesses that are eligible to receive tax abatement are manufacturing, assembling, fabricating, processing, mining, warehousing, distribution, and any business that creates at least 50 new full-time jobs. Other types of businesses are eligible for income tax credits, as described in the next section.

Past Use

Businesses in the northwest Independence Satellite Enterprise Zone have not taken advantage of the available incentives. This may be due to the fact that the Satellite Enterprise Zone was established primarily with the intent to use the tax credits available through the enterprise zone designation to entice retail and other businesses eligible for the tax credits to build or expand within the Zone area.

Potential Use Within the U.S. 24 Highway Corridor

Recent state legislation has significantly altered the use of existing Enterprise Zones and Satellite Enterprise Zones. As of December 31, 2004, applications for credits under the program will no longer be accepted. Existing zones will need to be reestablished under new criteria. The reestablishment of new zones along the U.S. 24 Highway Corridor may be possible, however, until

additional information regarding the rules and regulations are provided by the State it is unclear as to the effectiveness of this tool.

B. Tools Utilizing Tax Credits

Satellite Enterprise Zone (established prior to December 2004)

Description

As mentioned in the section above, the Satellite Enterprise Zone, which covers most of northwest Independence, provides both tax abatement and tax credits to eligible businesses. The tax abatement incentive is described in the section above.

Credits to pay State of Missouri income taxes are available to certain types of businesses in the Satellite Enterprise Zone that invest at least \$100,000 and create two new jobs. The amount of credits depends on the number of new employees hired and the type of employees hired. For instance, a credit of \$400 is claimed each year for 10 years for the creation of each new job (meaning an average of at least 20 hours per week). An additional credit of \$400 per year may be claimed for each employee that is a resident of any Missouri Enterprise Zone. Another \$400 credit per year may be claimed for each employee that is "difficult to employ" or for other types of special employees. Tax credits may also be claimed to cover a portion of the costs of training employees.

The types of businesses that are eligible for tax credits includes all those eligible for tax abatement listed above plus telecommunications, computer services, health services, banks, insurance, poultry/egg producers, employment agencies, recycling operations, commercial research/development services, transportation terminals, office activities, renting/leasing residential property to low/moderate income persons, and, most importantly, retail businesses. Most state enterprise zones do not give tax credits to retail businesses, but the Satellite Enterprise Zone has this special feature.

Past Use

The only business within the Satellite Enterprise Zone that has taken advantage of the tax credit incentive is a restaurant in Englewood. A restaurant can really utilize the tax credits more than many other businesses because it typically has many employees, which is what the tax credit amount is based on.

Potential Use with U.S. 24 Highway Corridor

Recent state legislation has significantly altered the use of existing Enterprise Zones and Satellite Enterprise Zones. As of December 31, 2004, applications for credits under the program will no

longer be accepted. Existing zones will need to be re-established under new criteria. The re-establishment of new zones along the U.S. 24 Highway Corridor may be possible, however, until additional information regarding the rules and regulations is established by the State it is unclear as to the effectiveness of this tool.

Rebuilding Communities Tax Credits

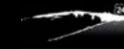
Description

This State of Missouri program aims to attract certain types of businesses to certain census block groups ("distressed areas") throughout Missouri by offering the businesses State of Missouri income tax credits. It also will give tax credits to existing businesses in the eligible areas if they meet program requirements. Historically, the area north of U.S. 24 Highway and west of Ash, the area south of U.S. 24 Highway and west of Home, and the area south of U.S. 24 Highway and east of Chrysler were eligible under this program. As the eligible areas change regularly based on census data, it is recommended that one contact the Missouri State Financial Assistance office at 1-877-618-5857 or 573-751-0717 to determine eligibility for specific areas.

New or relocating eligible businesses receive either:

1. 40% Income Credit: State income tax credit to the taxpayer for three years based on 40% of their income taxes due; or,
2. 40% Specialized Equipment Credit: State income tax credit of 40% based on the amount of funds expended for computer equipment and its maintenance, medical laboratories and equipment, research laboratory equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications, wiring or software development expense. In addition, qualified employees of a new or relocating business may receive a tax credit against state individual income tax, equal to 1.5% of their gross salary paid at such facility. This credit can be earned for each of three years that the facility receives one of the 40% tax credits.

Eligible businesses already located in a distressed area, which expend funds for specialized equipment, exceeding their average of the prior two years for such equipment, shall be eligible to receive a 25% tax credit against state income taxes owed. Any existing business that doubles the number of existing employees (based on FTE equivalent) at the facility, measured from the submittal date of the Pre-Application, can apply for the 40% tax credits and the 1.5% Employee tax credit as a "New or Relocating" business.



Eligibility Criteria

1. Businesses must either relocate to the distressed area from a non-distressed area, begin as new business in a distressed area, or already exist in the distressed area.
2. Business must be manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, telecommunications or certain types of professional firms.
3. Business must have more than 75% of its employees employed in a distressed community, prior to the issuance of tax credits.
4. Business must have fewer than 100 employees total for all facilities at the time a pre-application is submitted.

Past Use

There is no known past use of this program in the U.S. 24 Highway Corridor.

Potential Use Within the U.S. 24 Highway Corridor

Many people interested in revitalizing the U.S. 24 Highway area have wanted to attract medical professionals to the area. This is an excellent program for such a purpose. Of course, the eligible areas are limited. For instance, the Swope Clinic on U.S. 24 Highway is currently not located in an eligible distressed area. However, if a facility were to be built east of Ash Avenue, but still north of U.S. 24 Highway, any doctor or other medical professional who located there would be eligible for these tax credits. It should be noted, too, that dentists, accountants, attorneys, chiropractors and other professionals would also be eligible. Such a fact points to the possibility of developing mixed office/retail facilities in some of areas that are eligible distressed areas. The incentives offered to medical and other professionals through this program may be just enough to entice them to move into the area. However, there needs to be offices available for them, and those offices must be marketed by highlighting these types of benefits of the location.

Historic Tax Credits

Historic tax credits are received after making eligible expenses for the rehabilitation of a historic property. The credits can be used to pay income taxes. The rehabilitation must be considered substantial and eligible activities may include work on the building itself, architectural fees, legal expenses and development fees. It may not include any work to expand the building or grounds.

There are actually three different programs available:

- State of Missouri 25% Historic Tax Credit
- Federal 20% Tax Credit
- Federal 10% Tax Credit

a. State of Missouri 25% Historic Tax Credit

Description

The State of Missouri 25% Historic Tax Credit Program provides tax credits for 25% of eligible costs and expenses of the rehabilitation of approved historic structures. The tax credits may be used to offset Missouri income tax liability for up to three previous years or up to 10 years forward. Any person, firm, partnership, trust, estate, or corporation is eligible to participate in this program, with the exception of not-for-profit entities and/or government entities. The tax credits are also sellable and transferable. However, to be eligible properties must be either (a) listed individually on the National Register of Historic Places, or (b) certified by the Missouri Department of Natural Resources as contributing to the historical significance of a certified historic district listed on the National Register, or (c) of a local historic district that has been certified by the U.S. Department of the Interior. Costs and expenses associated with the rehabilitation must exceed 50% of the "total adjusted basis of the property" (acquisition cost minus depreciation).

Past Use

There has been no known use of the state historic tax credit in the U.S. 24 Highway Corridor. Some properties in the Truman Historic District have received state historic tax credits.

Potential Use Within the U.S. 24 Highway Corridor

To take advantage of this incentive that would offset the costs of rehabilitating an older building, the building must first be placed on or determined eligible for the National Register of Historic Places or a Historic District must be created that includes the building within its boundaries. To be eligible, the building cannot be owned by a non-profit or government entity. To qualify, a survey must first be completed, and then an application submitted to the State Historic Preservation Office. The National Parks Service must then approve the proposed nomination. This credit will be an effective tool in the Fairmount Business District and surrounding residential areas.

b. Federal 20% Historic Tax Credit

Description

The Federal 20% Tax Credit is much like the state historic tax credit except that these tax credits may be used to offset Federal income tax liability for up to 20 tax periods (none of which may be in the past). There are also other differences. First, the property must be income-producing

(meaning owner-occupied homes would not be eligible). Although there are ways to structure partnerships so that federal tax credits can be used by equity partners, federal tax credits cannot be sold.

Past Use

There has been no known use of the federal historic tax credit in the U.S. 24 Highway Corridor.

Potential Use Within the U.S. 24 Highway Corridor

To take advantage of this incentive that would offset the costs of rehabilitating an older building, the building must first be placed on or determined eligible for the National Register of Historic Places or a Historic District must be created that includes the building within its boundaries. To be eligible, the building cannot be owned by a non-profit or government entity. To qualify, a survey must first be completed, and then an application submitted to the State Historic Preservation Office. The National Parks Service must then approve the proposed nomination.

c. Federal 10% Historic Tax Credit

Description

The Federal 10% Tax Credit is far easier to qualify for than the other historic tax credits. With this program, a tax payer receives tax credits worth 10% of the costs of rehabilitation of a building that was placed in service before 1936 and is NOT eligible for listing in the National Register. The property rehabilitation does not need to meet the same rehabilitation guidelines of the 20% historic tax credit. The tax credits may be used toward the payment of one's personal federal tax bill. To claim the credit, a tax payer simply fills out a certain schedule and attaches it to their income tax return to the Internal Revenue Service. This credit is only available for income-producing commercial or industrial buildings.

Past Use Within U.S. 24 Highway Corridor

There has been no known use of this tax credit in the U.S. 24 Highway Corridor.

Potential Use

This program should be publicized to anyone who may be interested in rehabilitating an older building which meets the criteria. It is likely, however, that this program alone will not provide enough to bring the kind of rehabilitation that is needed. It should also be noted that the 10% credit can only be used once. So, it is best to use it on a big project when a building really needs major repairs, such as a new roof, mechanical and electrical work rather than on a small fix, such as a new awning or façade.

Neighborhood Preservation Act tax credits

Description

The Neighborhood Preservation Act (NPA) was passed during the 1999 Missouri General Assembly. The law's intent is to aid in the rehabilitation and new construction of homes in certain census blocks in the state of Missouri. NPA provides taxpayers a state tax credit worth 15% of the eligible costs associated with the construction of a new residence, or up to 35% of eligible costs of rehabilitating an existing home. The home, whether new or rehabilitated, must become owner-occupied and it must be in a census block group where the median income of the block group is less than 90% of the median income of the Kansas City Area Median Income (AMI). In block groups where the median income is less than 70% of the AMI, the developer/owner would receive a tax credit worth 35% of the rehabilitation costs for substantial rehabilitation (i.e. costs exceed \$10,000) up to \$70,000 in a 10-year period. For other rehabilitation, the tax credit received is 25% of rehabilitation costs, up to \$25,000 in a 10-year period. The tax credits can be used to pay state income taxes, and can be sold or transferred.

Most all of the area surrounding U.S. 24 Highway would qualify for the NPA tax credits. As the eligible areas change regularly based on census, one can call 573-522-8004 or visit <http://www.co.st-louis.mo.us/scripts/plan/taxcred.cfm> to determine eligibility.

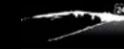
However, eligibility does not guarantee that someone making application will be awarded the tax credits because the amount of NPA tax credits is limited each year. Therefore, there is a "lottery" to award the available tax credits among the various applications received from all over the state. Any taxpayer whose application is not chosen in the lottery one year has to wait until the next year and resubmit the application.

Past Use

Some taxpayers in Independence have taken advantage of this program and received the tax credits, but none in the U.S. 24 Highway area are known.

Potential Use Within the U.S. 24 Highway Corridor

The most straightforward use of this program is by a homeowner who wishes to rehabilitate his or her home. The homeowner simply makes application, and if awarded tax credits, proceeds with the project, claims the tax credit upon finishing the project, and then uses the tax credits to pay their taxes. But, a developer can use the program, too. After being awarded the tax credits, the developer either builds a new home or rehabilitates one and then sells the home and collects the tax credit. However, the developer must sell the home to someone who will live in it (the home must be owner-occupied). Since the developer must be a taxpayer, one challenge in taking advantage of this program is to attract for-profit developers that will build new homes in an older



area due to theft, vandalism, and other financial obstacles. One alternative is to have the NWCDC form a partnership with a for-profit entity to take advantage of the tax credits.

Neighborhood Assistance Program (NAP)

Description

A qualifying nonprofit organization can be granted assistance to administer a community or neighborhood project if the community or neighborhood itself does not have the ability or resources. A tax credit worth up to 50 percent of a donation can be given to those who donate to a nonprofit organization that will provide community services, physical revitalization, or economic development.

Past Use

The Northwest Communities Development Corporation has received NAP credits in the past. They then have to find taxpayers who are willing to make a donation to the Northwest CDC in exchange for the tax credits, which are worth 50% of the donation. It has sometimes been difficult for them to find donors who want to make such an exchange.

Potential Use Within the U.S. 24 Highway Corridor

More donors can be sought for the Northwest Communities Development Corporation's current efforts. Also, an identified physical revitalization project could be identified for which donors could be sought. Sometimes, a brick and mortar project, as opposed to community service, will generate more interest and therefore elicit more donations.

Low Income Housing Tax Credits (State and Federal) (LIHTC)

Description

This program provides a federal tax credit and a state tax credit to investors in affordable housing. The credit can be used each year for 10 years and is allocated to developers, who may sell it to raise equity to construct or acquire and rehabilitate affordable rental housing. The Housing Credit is limited to a percentage of the Qualified Basis, based upon depreciable basis, and the percentage of affordable units in the development. The minimum number of qualifying units is (a) 40% of the total number of units affordable to persons at 60% of the median income or (b) 20% affordable to persons at 50% of the median income. Projects are selected by the Missouri Housing Development Corporation (MHDC), who is charged not only with the allocation of credit, but also with assuring compliance with the regulations. This includes the performance of a physical inspection of the property and a review of management and occupancy procedures during the compliance period of the initial 15 years and the extended use period (an additional 15

years). A copy of the Tax Credit Compliance Manual is available on the MHDC website at http://www.mhdc.com/program_compliance/LIHTC/.

Developers (for-profit and not-for-profit) are eligible to apply for tax credits. Applicants must demonstrate prior, successful housing experience and engage the services of housing professionals, such as architects, appraisers, attorneys, accountants, contractors and property managers with demonstrable tax credit and housing experience. Developers must have the financial capacity to successfully complete and operate the proposed housing development.

Proposed housing developments must:

1. Meet a demonstrated affordable housing need;
2. Provide housing for low income persons and families;
3. Demonstrate local support;
4. Leverage tax credit funding with other financing and/or rental assistance;
5. Be economically feasible; and
6. Balance sources and uses of funds.

Typically, a Notice of Funding Availability (NOFA) is published during the month of August. Once the NOFA is released, an application packet is available on the MHDC web site or by mail, upon request. The deadline for proposal submission is typically in late October, and recommendations are made to the Commission in January or February. More information can be found at www.mhdc.com/rental_production/low_inc_tax_pgrm.htm.

Past Use

There is no known past use of low-income housing tax credits in the U.S. 24 Highway Corridor.

Potential Use within the U.S. 24 Highway Corridor

Some of the people who participated in developing scenarios for the U.S. 24 Highway Corridor area suggested apartment or town home developments near the Fairmount Business District or Crisp Lake. Such a development would be a prime candidate for using low-income housing tax credits.

New Markets Tax Credit (NMTC) Program

Description

The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against federal income taxes for making qualified equity investments (QEI) in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the

investor totals 39% of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.

NMTCs are allocated annually by the Community Development Financial Institution Fund (CDFI Fund) to CDEs under a competitive application process. These CDEs then sell the credits to taxable investors in exchange for stock or a capital interest in the CDEs. Through efforts of the Northwest Communities Development Corporation, a CDE has been established in Independence with the intent to help provide funds for development and redevelopment of northwest Independence, the U.S. 24 Highway Corridor and other areas. This CDE, which was certified by the CDFI Fund in 2003, is called the Traditional Marketplaces Finance Corporation (TMFC). It was established with board members who include representatives from the Independence Council for Economic Development, Fairmount, Englewood, Maywood, the Square and local banks. The intent in creating the TMFC was to create an entity that could offer low-interest loans for the rehabilitation and new construction of commercial structures in “traditional”, or older, business districts in and around Independence. While other programs offer tax incentives, this entity was to provide up-front cash to help property owners and developers get started on development or redevelopment projects. Besides offering loans, it is possible that the TMFC could make outright investments in projects.

However, before the TMFC can make loans or investments, it must have capital. The New Market Tax Credits are supposed to entice investors to provide capital to the TMFC as an eligible CDE. If the TMFC receives an allocation of NMTCs, it can “sell” those tax credits to its investors. For instance, if a bank, corporation or other tax payer invests \$100,000 in the TMFC, after the first year, that tax payer will receive \$5000 (5%) in federal tax credits. After the second year, the tax payer receives another \$5000, and the same after the third year. After the fourth year the tax payer receives \$6000 (6%), and the same after the fifth, sixth and seventh years. After the seventh year (and not before) the investor can redeem their initial investment. The TMFC can also pay dividends to its stock holders / investors, besides the tax credits it provides to them.

Several difficulties or obstacles have arisen in trying to get the TMFC started. First, it is difficult to find investors. Local banks, some of which had officers represented on the TMFC Board, were sought out to be initial investors who could reap the benefit of the New Markets Tax Credits. But, banking regulations typically prohibit a bank from making investments in other corporations. The TMFC, however, would qualify as a community development corporation in which a bank would be allowed to invest. In fact, the Community Reinvestment Act would encourage such investment. Nonetheless, investment in such a corporation will be a new approach to these banks, one that may hold unknown risks, and in preliminary discussions there were no banks that were willing to make an investment (though one said it will donate \$5000).

Another difficulty with the NMTC Program is that the CDE is required to invest substantially all (over 85%) of each qualified equity investment (QEIs) it receives from an investor within 12 months of receipt of the QEI. This means that within a period of only 12 months, a CDE must

1. Identify a low-income community investment or loan opportunity that will qualify under the standards of the NMTC Program. This could include much publicity and education.
2. Take applications or otherwise consider the opportunities to make one or more qualified low-income community investment (QLICIs), evaluating whether or not each QLICI will be a wise and prudent investment.
3. Render decisions and disburse funds that will invest substantially all of the QEIs received by the CDE. All this would have to be done in 12 months with a board that has never worked together before and without staff currently doing any such things. Putting all these pieces together makes the NMTC a tool that is currently not very accessible.

Past Use

There has been no use of the NMTC Program in Independence or Missouri. There are no active CDE's in the Kansas City area.

Potential Use in the U.S. 24 Highway Corridor

While using the NMTCs to put together a viable program may be difficult, it could have much potential for the redevelopment of the U.S. 24 Highway Corridor. Some examples of how it could be used include:

1. Offering start-up loans for new businesses.
2. Offering loans to businesses looking to expand or relocate in the U.S. 24 Highway Corridor.
3. Providing loans (or equity investments) for new health care facilities, such as the Swope Health Clinic.
4. Providing equity investments or loans for rehabilitation or new construction of homes that would be offered for sale (the NMTC Program may not be used for rental housing). Such a use would be best coupled with the Neighborhood Preservation Act Tax Credits. Also, the Northwest Communities Development Corporation might provide properties it receives from the Jackson County Land Trust for such housing development. The Northwest Communities Development Corporation could make a contract with a developer to provide the properties for housing development and not receive compensation for the properties until the home to be built upon it sells to an owner-occupant.
5. Providing loans or equity investments to redevelop commercial buildings in Fairmount. This could then be coupled with receiving a 10% rehabilitation tax credit for buildings placed in service prior to 1936. Tax abatement through the Missouri 353 statute could also be used, as well as the City's facade grants. This could be very beneficial to the Palomino Restaurant. One other source of funding could be HOME funds for low-income apartments on the top floors

of buildings (but coupling such funds with NMTCs would limit the apartments to providing no more than 20% of the income of the entire project).

6. Providing loans for community-based charter schools.

C. Tools that Provide Funding/Financing through Taxes or Assessments

Community Improvement District (CID)

Description

Section 67.1400 of the Revised Statutes of Missouri allows for the creation of a Community Improvement District (CID) by ordinance in which revenue can be raised and then used to complete projects or perform services for the residents and/or owners of property within the district boundaries. A CID's revenue can come through several different methods: special assessments, real property taxes, sales tax, or fees. The special assessments can be structured in many different ways, depending on the improvement or service to be funded by the assessment. For instance, an assessment can be levied based on a certain dollar amount per linear foot of street frontage, or it could be per square foot of property, or per square foot of building floor area. The duration of an assessment or tax is flexible. An assessment could be an annual amount that lasts every year for two years or for 20 years. The revenues raised by a CID can also be combined with other funding sources to pay for projects or services.

Using a CID to generate funds through assessments or taxes is a two-part process: first, the CID must be established; second, the special assessment or tax must be approved by a majority of residents and/or property owners. To establish a CID, a petition must be signed by:

1. Property owners who collectively own real property representing more than 50% of the assessed value of the real property within the CID; and,
2. More than 50% per capita of all owners of the real property located within the CID.

The petition must include an initial five-year plan specifying the type and estimated costs of the improvements or services to be provided by the CID. The petition must also declare the CID area, the duration of the CID and the maximum rates of real property taxes and/or special assessments that it may impose. After the petition is filed and verified by the City Clerk, the City Council holds a public hearing on the establishment of the proposed CID. Amendments may be made to the petition through the hearing process, and at the close of the hearing the Council may adopt an ordinance establishing the CID.

After the CID is established and a board of directors in place, the CID still cannot levy special assessments until after a petition is submitted to the CID board requesting that the CID levy such assessment. As with the petition to establish the CID, the petition must be signed by (1) property

owners who own property that represent more than 50% of the assessed value of real property within the CID, and by (2) more than 50% per capita of the owners of all real property within the CID.

In order for the CID to be able to levy a real property tax, a majority of the registered voters who live within the CID must vote to approve such a tax. If no registered voters live inside the CID, then a majority of the owners of property inside the CID must vote in favor of the tax.

One of the main benefits of the CID is that it allows for funds to be expended related to the maintenance of the area covered under the CID. This would allow for the on-going maintenance of such things as common areas.

Past Use

No CIDs have been established in Independence.

Potential Use Within the U.S. 24 Highway Corridor

There are many ways in which a CID, or CIDs, could benefit different parts of the U.S. 24 Highway Corridor. A CID could be established in a residential area that would initially provide funds to build curbs, sidewalks, or trails, and then even generate funds to maintain trails or provide other on-going services. The Fairmount Business District could establish a CID that could likewise initially fund physical improvements either through assessment property tax or sales tax. It could then generate on-going funds for the maintenance of landscaping, signage, lights (such as Christmas lighting) and special events or marketing. Assessments can be set up on tiered levels, so those closest to improvements (the first tier) would pay a higher assessment than those further away (second and third tiers). Downtown Overland Park, Kansas, has such an assessment.

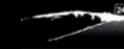
Neighborhood Improvement District (NID)

Description

Similar to CID in that its purpose is to assess those within a proposed district for the cost of improvements in the district. However, the NID is limited to a one-time project that is specified in the petition. (Although the petition may also provide for an annual assessment of maintenance costs of the improvement in each year after the bonds issued for the original improvement are paid in full.)

There are two procedures by which a District may be established:

1. Voter Approval. The City Council may by resolution submit the question of creating a District to all qualified voters residing within the proposed District.



2. Proper Petition. The governing body of the city may create a District when a petition has been filed by the owners of at least two-thirds by area of all real property located within the proposed District. The petition must be filed with the City Clerk. After receiving requisite voter approval or upon the filing of a proper petition, the governing body would need to approve the establishment of the NID. Upon completion of a number of public hearings the City Council would then issue bonds to pay for the proposed improvements. The property within the NID would then be required to pay a yearly assessment (typically 10-20 years) to pay off the bonds. Property owners would have the option of paying the total assessment after the completion of the project rather than paying a yearly assessment.

Past Use

NIDs have successfully been established in the Englewood and Noland Road business areas in Independence. The improvements have focused on streetscape items such as sidewalks, crosswalks, lighting, and curb and gutter. Other areas have also used NIDs to provide for sanitary sewer improvements or stormwater improvements.

Potential Use

A NID could be used in different ways in the Corridor area. A NID could be established for the entire U.S. 24 Highway frontage to obtain funds for streetscape improvements. Such improvements could include new curbs, sidewalks, street lights, and/or common landscaping along the highway. Or, a smaller commercial district, like the Fairmount Business District, could form a NID to raise funds for a streetscape or other project only for the district. Likewise, a residential neighborhood or a block could create a NID to raise funds for new sidewalks and curbs. A neighborhood could even create a NID to raise funds for a trail system. Whatever the case, support for a NID will be more likely if the NID dollars raised could be leveraged with other funds.

Transportation Development Districts (TDD)

Description

A Transportation Development District may be created by petition presented to a circuit court by property owners (in fact, by a single property owner) or by a vote of the registered voters in the district. Once the district is created it may impose:

1. A sales tax,
2. An ad valorem property tax,
3. A special assessment, or
4. A business license tax.

Because the TDD allows for the assessment of a special sales tax, this tool is most effectively used in areas which are retail in nature.

Revenue is used in order to pay for road improvements which will be turned over to the Missouri Department of Transportation or city after completion and payment of any bonds. The boundaries of the Transportation Development District may include several properties or a single parcel of property. TDDs are independent political subdivisions. Debt incurred by such districts is totally independent of the financial statements of the state Department of Transportation or the city or county which will own and maintain a project once it is completed.

Past Use

Mt. Washington Forever, which owns the Mt. Washington Cemetery, created a TDD that will provide funding for landscaping improvements on Truman Road. A TDD has also been created on 39th Street.

Potential Use Within the U.S. 24 Highway Corridor

A TDD may be an excellent way for businesses along U.S. 24 Highway to raise funds to install new curbs, sidewalks and landscaping. Unlike the NID or CID, with a TDD the businesses or property owners can offset the costs of certain improvements. For example, if the TDD is used to impose an additional sales tax, only retail consumers will bear the cost of improvements paid through the TDD. TDD funds can only be used for a project, not for on-going maintenance. Therefore, if the TDD project pays for the installation of landscaping, other funds will need to be obtained to cover the on-going cost of maintaining the landscaping. Fairmount Business District, and the intersections of U.S. 24 Highway and Sterling and River would be the most suitable locations for a TDD.

Tax Increment Financing (TIF)

Description

Tax Increment Financing (TIF) is a mechanism that allows cities in Missouri to fund public infrastructure and streetscape improvements by designating project redevelopment areas and capturing the increased retail sales (EATS) and property taxes (PILOTS) that result from revitalization. A TIF has been described as financing that “allows future real property taxes and other taxes generated by new development to pay for the costs of construction of public infrastructure and other improvements required to make the project possible. The purpose of tax increment financing is to encourage development of blighted, substandard and economically under-utilized areas which would not be developed without public assistance.” Some key points include:

1. The amount of revenue captured annually (up to 23 years) to pay the costs of the project is equal to the increment between the previous taxes due and the new taxes due. Also captured are 50% of the local economic activity taxes (EATS) such as city sales tax.
2. The redevelopment area on the whole must be either a "blighted area", "conservation area" or "economic development area" as defined in the TIF Act.
3. The proposed redevelopment project must meet the "but for" test: but for tax increment financing the redevelopment area probably will not be developed.
4. The City's Tax Increment Financing Commission considers TIF proposals before the City Council. After proper notice and a public hearing, the TIF Commission makes a recommendation to the City Council. The TIF Commission negotiates the amount and length of the increment based on the least amount that would cause the project to occur.
5. Prior to the implementation of tax increment financing the following actions must be taken in the following order or simultaneously:
 - The redevelopment area must be designated by finding that the area is a blighted, conservation or economic development area:
 - A redevelopment plan must be adopted: and
 - One or more redevelopment projects must be adopted and the redevelopment area for each redevelopment project must be designated.
6. The redevelopment plan must analyze the economic impact to each taxing district.
7. If TIF is approved, a development agreement will be executed between the City and developer which may include specific expectations by the developer and City.
8. The approved project costs may be funded either by issuance of bonds or the developer may also fund the approved project costs and be reimbursed from the increments over an approved time period (pay as you go).

Past Use

Mt. Washington Cemetery was designated a TIF project in 2004. As part of the project, a new mausoleum has been built, roads inside the cemetery repaired, a lake created, and landscaping provided along Truman Road. The TIF project also is to provide \$200,000 in installments of up to \$40,000 a year for certain economic development activities focused on the Fairmount Business District. However, the Mt. Washington TIF has not generated sufficient revenue to meet this goal. It is unclear if the Mt. Washington TIF will be able to meet this obligation.

Potential Use Within the U.S. 24 Highway Corridor

Under Missouri TIF, a single TIF area can be established and then one or more TIF projects within that area. It is conceivable that the entire U.S. 24 Highway Corridor Study Area be designated a TIF area with a TIF Plan that coincides with this plan. Then, projects could be solicited for different project areas within the district. For instance, one project area could be the Fairmount Business District, another the Sterling Mixed-Use Area and another the River Mixed-Use Area. Alternately, a different plan could be made for each of these three areas. The advantage, though,

of designating one larger area, is that TIF revenue from the entire area could be captured to fund corridor-wide projects, such as curbs, medians, street lights and street-side landscaping. Tax Increment Financing for each project area will help spur redevelopment for Fairmount and the Sterling and River Mixed-Use Areas. Drawbacks will center on the need to get agreement from a large number of property owners.

General Obligation Bonds

Backed by the City's credit and future property tax revenues, general obligation bonds are used to finance public improvements. Ad valorem tax revenues are used to retire the bond debt. Potential applications for use of general obligation bonds include construction of street improvements, public parks and open space, and municipal facilities such as a recreation center.

Past Use

The City has mainly applied this tool to governmental services such as fire stations.

Potential Use

The City could further investigate using General Bonds to meet the objectives of this Corridor.

D. Tools that Provide Low-interest Loans

First Place Loan Program

Description

The First Place Loan Program available through MHDC offers first-time homebuyers affordable mortgage financing, often at an interest rate below that offered by market rate loans. Homebuyers may also be eligible for a Cash Assistance Payment. This cash assistance of 3 percent of the loan amount does not have to be repaid and may be applied at closing to a portion of the down payment, closing costs, prepaid taxes, insurance premiums and other loan expenses. Qualified participants must have a total gross annual household income within the program limits. Only first-time homebuyers may participate in the program. A qualified first-time homebuyer (and spouse) cannot have had an ownership interest in a primary residence for the past three years.

The purchase price of a home financed through the program cannot exceed the established limits for Missouri properties. Properties eligible for loans include:

1. Single-Family Detached
2. Duplexes - provided one unit is owner-occupied and the units are at least five years old.

3. Modular or manufactured housing, permanently attached to a foundation, excluding mobile homes.
4. Town home
5. Condominium

Typically, home buyers can apply for assistance through the First Place Loan Program at a participating lender.

Past and Potential Use

Many people have used this program in different parts of Independence. It may be used to buy a home anywhere in the City. Packaging this program with one or more other programs specific to the U.S. 24 Highway Corridor together will draw new homebuyers to the area by making it affordable to buy new or renovated housing in a certain district. A marketing publication should be made available to realtors, banks and others who come in contact with those who are looking, or could be enticed to look, to buy a home for the first time.

E. Grants

Community Development Block Grant (CDBG)

Description

The Community Development Block Grant is a federal grant that is locally allocated through the City of Independence. Annual grants are used for the benefit of low and moderate-income persons and/or in preventing or eliminating blight. Projects may include rehabilitation of private buildings, assistance to non-profits for community development and other services, and reconstruction or construction of streets, water and sewer facilities, neighborhood centers, etc.

Each year applications are taken by the City of Independence to award some of the limited CDBG funding that the City of Independence receives. The application period generally starts in December or January of each year and allocations are made for the following July through June fiscal year. Various entities make application, plus the City itself can propose projects.

Past Use

Several different projects in northwest Independence have been funded through CDBG. These include new curb and sidewalks on U.S. 24 Highway and various projects sponsored by the Northwest Communities Development Corporation.

Potential Use Within the U.S. 24 Highway Corridor

Through the process of completing the U.S. 24 Highway Corridor Revitalization Study, some projects may be identified that would be the best candidates for funding through CDBG, whether the City sponsors the project, the Northwest Communities Development Corporation or another organization.

Missouri Housing Trust Fund

The Missouri Housing Development Commission (MHDC) administers the Missouri Housing Trust Fund, which provides grants and/or low interest loans to organizations providing housing assistance to very low income families. Funding is available for a variety of housing needs, such as acquisition and/or rehabilitation or new construction of rental housing (and related services), rental assistance, emergency housing aid and home repair.

Developers or non-profit organizations that provide housing and/or related services may apply. Applicants must demonstrate prior, successful housing experience and have the financial capacity to successfully complete and operate the housing and/or service proposed. Providers of services must have qualified and trained staff, and a successful record of providing the proposed services.

A proposal for funding must meet a demonstrated need for housing for very low income persons, leverage Trust Fund dollars with other forms of subsidy, provide housing and/or housing services to persons below 50 percent of median income with corresponding rents or fees, and be economically feasible.

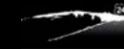
The deadline for proposal submission is typically in late October, and recommendations are made to the Commission in January or February. More information and an application packet can be found at the MHDC web site (www.mhdc.com/rental_production/trust_fund/MHTF-info.htm).

Past Use

The Northwest Communities Development Corporation has successfully applied for, received and used funds to run a program that provides for emergency home repair.

Potential Use Within the U.S. 24 Highway Corridor

Besides continuing to fund emergency home repair, MHDC funds could be sought for the construction of multi-family apartments in the Fairmount Central Business District, near Crisp Lake, or in either the Sterling or River Mixed-Use Area.



Department of Justice Weed and Seed Grant

Description

Operation Weed and Seed is a U.S. Department of Justice initiative that aims to prevent, control, and reduce violent crime, drug abuse, and gang activity in targeted high-crime neighborhoods across the country. Currently there are approximately 300 sites nationwide officially recognized. Fairmount is one of those sites, and includes the area north of Truman Road and west of Sterling. The multi-agency strategy "weeds out" violent crime, gang activity, drug use, and drug trafficking and "seeds" the area through social and economic revitalization. This two-pronged approach first involves law enforcement agencies and prosecutors cooperating to "weed out" criminals who participate in violent crime and drug abuse, attempting to prevent their return. The second part of the approach, "seeding", brings a variety of human services to the area encompassing crime prevention, intervention, treatment, and neighborhood revitalization. A community-oriented policing component bridges the weeding and seeding aspects of the program. Officers obtain helpful information from area residents for weeding efforts while they aid residents in obtaining information about community revitalization and seeding resources.

Past and Potential Use

The U.S. Department of Justice provided the City of Independence and the Northwest CDC funding for five years for both "Weeding" and "Seeding" activities. The majority of funds for weeding are allocated to the Independence Police Department. Funds for seeding have been allocated to the Northwest Communities Development Corporation to fund different activities. As long as the funding continues, the Northwest Communities Development Corporation will use it to complete activities that fulfill elements of the Weed and Seed Strategy.

HOME Investment Partnership Program

HOME is a Federal Block Grant Program designed exclusively to create affordable housing for low-income households. HOME funds are awarded annually as formula grants to participating jurisdictions, such as the City of Independence. The program is flexible, allowing HOME funds to be used for grants, direct loans, loan guarantees or other forms of credit enhancement, or rental assistance or security deposits. The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least 20% of the units must be occupied by families with incomes that do not exceed 50% of the HUD-adjusted median. The incomes of households receiving HUD assistance must not exceed 80 percent of the area median.

HOME funds can be used for a broad range of housing activities. For instance, HOME funds can be used to provide home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers. They can be used to build or rehabilitate housing for rent or ownership. Or, they can be used for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses.

HOME-assisted rental housing must comply with certain rent limitations. HOME rent limits are published each year by HUD. The program also establishes maximum per unit subsidy limits and maximum purchase-price limits. Every dollar of HOME funds used by the City of Independence (except for administrative costs) must be matched with 25 cents from non-federal sources, which may include donated materials or labor, the value of donated property, proceeds from bond financing, and other resources. In addition, the City of Independence must reserve at least 15 percent of its allocation to fund housing to be owned, developed, or sponsored by experienced, community-driven non-profit groups designated and certified as Community Housing Development Organizations (CHDOs). The City must also ensure that HOME-funded housing units remain affordable in the longterm (20 years for new construction of rental housing; 5-15 years for construction of homeownership housing and housing rehabilitation, depending on the amount of HOME subsidy).

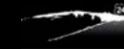
There are many potential uses for HOME funds in the U.S. 24 Highway Corridor. As discussed above, HOME funds could be used to create greater home-buyer assistance than that already provided by the City's First Time Home Buyer Program. HOME funds can also be used to provide gap financing for a housing development, such as a mixed-income development or a senior citizens housing development.

Private Foundations and Agencies:

a. Local Initiatives Support Commission (LISC)

Description

The Greater Kansas City LISC (GKC LISC) is a program area of the Local Initiatives Support Corporation, the nation's largest community development organization, dedicated to revitalizing urban core and rural neighborhoods. GKC LISC helps community development corporations (CDCs) rebuild urban core neighborhoods in the greater Kansas City area. They provide financial resources and technical assistance to CDCs that provide new and renovated housing, commercial and economic development, crime prevention programs, and other community services. LISC serves as an intermediary through which charitable investors and government deliver grants, loans and technical assistance to local CDCs.



Past Use

The Greater Kansas City LISC office was opened in Kansas City, Missouri, in 1981, and opened a Kansas City, Kansas office in 1998. Over the years, GKC LISC has supported 18 CDCs in developing \$180 million worth of affordable housing. The GKC LISC also has helped CDCs develop 3,660 new homes and apartments, nearly 200,000 square feet of community facilities, and more than a million square feet of commercial space. To date, LISC has not funded Community Development Corporations working in Independence.

Potential Use Within the U.S. 24 Highway Corridor

Independence has three CDCs which the GKC LISC could assist. One or more of these CDCs could strive to receive assistance from GKC LISC to bring some of the development scenarios of the Corridor Study to fruition.

b. Truman Heartland Community Foundation

Description

The Truman Heartland Community Foundation is a public charity whose purpose is to receive, hold, invest, administer and distribute assets for charitable purposes in Eastern Jackson County. Donors entrust the Truman Heartland Community Foundation Board with the responsibility for selecting appropriate grantees from broad areas of charitable activity. Organizations may apply for grant support from the unrestricted funds of the Truman Heartland Community Foundation if they are either:

1. Exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and currently serve, or propose to serve, persons or communities in Eastern Jackson County, Missouri (priority given to organizations currently located in Eastern Jackson County);
OR,
2. Units of local government or public education institutions or civic organizations for charitable purposes located in Eastern Jackson County.

Grant proposals are considered for a grant period of up to one year. No maximum amount was set for grants to be awarded during 2004, however, the Foundation had approximately \$100,000 in unrestricted grant funds available. Organizations are strongly encouraged to submit proposals that show clear evidence of support from or collaboration with other funding sources.

The Foundation adopted ten general priorities for 2004 grants. Proposals that addressed one or more of the following issues were to be considered:

1. Arts, Culture, and Historic Preservation
2. Building Stronger Neighborhoods
 - Grassroots community organizing
 - Revitalization of neighborhood infrastructure and facilities
 - Development of affordable housing
3. Education
 - Employment and job training
 - Youth and adult education
4. Fostering a Sense of Community Spirit
 - Building community identity, pride, and hope
 - Supporting the growth and maintenance of strong, healthy families
 - Encouraging partnerships and collaboration across diverse segments of the community
5. Health Needs for the Community
6. Leadership Development for Youth and Adults
7. Programs for Seniors
 - Ensuring access to and availability of necessary services
 - Utilizing the talents and experience of senior adults
8. Positive Youth Development
9. Transportation
10. Violence Prevention

Grants are awarded following a two-step application proposal review process. In the first step, applicants are asked to summarize their proposals in a two-page letter of interest. These are reviewed by a committee of the Truman Heartland Community Foundation. Organizations whose proposals show the greatest potential for serving or strengthening the community are then invited to submit full applications. The letter of interest is due in early April; the full application in late May.

Past Use

Some of the programs and causes funded in the past include:

- Bingham Waggoner Historical Society: \$4,000
- Cultural Arts Coalition: \$10,000
- Independence School District Foundation: \$1,000
- Independence Symphony Orchestra: \$2,700
- Truman Memorial Building/Palmer School Restoration Fund: \$5,000
- Greater Blue Springs Community Foundation: \$5,000
- City of Lee's Summit Parks & Recreation: \$2,000
- Neighborhood Self Help Fund: \$2,000
- NW Communities Development Corporation: \$4,000
- Family Literacy Center, Inc.: \$3,000

- Youth Friends: \$3,000
- Hillcrest Ministries of EJC: \$8,300
- Jackson County Therapeutic Horseback Riding Program: \$3,000
- Legal Aid of Western Missouri: \$5,000

Potential Use Within the U.S. 24 Highway Corridor

As can be seen by the variety of programs funded in the past by the Truman Heartland Community Foundation, there are many different ways in which such funding could be used in an overall strategy for revitalizing the U.S. 24 Highway Corridor.

c. The Bayer Foundation

The Bayer Foundation is the philanthropic arm of the Bayer Corporation, which has a manufacturing facility devoted to crop science products in Kansas City just north of the Mt. Washington area of Independence. The Bayer Foundation supports programs that enhance the quality of life, provide unique and enriching opportunities that connect diverse groups and ensure the preparedness of tomorrow's leaders. The Foundation provides funding and assistance to organizations that serve the communities near one of its facilities. With Bayer CropScience so close to the U.S. 24 Highway Corridor, the Bayer Foundation may consider funding initiatives in the area.

The Foundation welcomes proposals from 501(c)(3) organizations whose proposals fall within the following giving areas:

1. Civic and Social Service Programs
2. Science Education and Workforce Development
3. The Arts, Art Education and Culture

More Information about the Bayer Foundation, how to apply and where to apply can be found at www.bayerus.com/about/community/i_foundation.html.

Community Backed Anti-drug Tax (COMBAT)

COMBAT, Jackson County Missouri's anti-drug tax, was first initiated in 1989. County voters have since renewed the tax in two different elections. At the mandate of the voters of Jackson County, COMBAT is dedicated to reducing drug-related crime, providing substance abuse treatment for nonviolent offenders who have demonstrated they want to get off drugs, and preventing youth from experimenting with drugs. Each year, around October, the Jackson County COMBAT Commission solicits Proposals for Contracts with not-for-profit community agencies to develop and provide programs on behalf of the County for preventing drug and drug-related offenses. In

past years the Northwest Communities Development Corporation has received funding from the COMBAT tax to provide such a program.

First Time Home Buyer Grants

Description

The City of Independence also has a program to assist persons in buying their first home. Using HOME funds (see above), the City provides up to \$2,000 toward down-payment or closing costs on the purchase of a new home. Applicants must contact one of about two dozen participating lenders and make application through them. The applicant must qualify for a loan from the lender as well as have an income no higher than the income limits in effect at the time. The applicant must also complete an approved First Time Home Buyer class and sign an agreement with the City of Independence stating that the applicant will use the home as his/her primary place of residence for five years, or repay the City if he or she moves before the five years is completed. Also, to be eligible an applicant must not have owned a home in the past three years.

Past Use

This program has been operating in Independence since 1994 and as of this date has helped 520 families and individuals get into their first home, some of which have been in the U.S. 24 Highway Corridor area.

Potential Use Within the U.S. 24 Highway Corridor

To further spur the rehabilitation and new construction of homes in the U.S. 24 Highway Corridor area, this program can be altered to provide more home buyer assistance to those who buy a new or rehabilitated home in the U.S. 24 Highway Corridor area. Currently, it is difficult to remodel an older home with modern amenities while still maintaining a price that attracts people to the U.S. 24 Highway Corridor. Building new homes in the area with such amenities that are affordable to the low-income people that live, or are willing to live, in much of northwest Independence also appears to be unfeasible. Young families may move into the area for a while, but often as soon as they can afford to, they move to more stable neighborhoods where the homes are larger or more modern. Incentives will be needed to help pay for rehabilitation, removal, and/or new construction. The City may consider modifying the program provide up to \$10,000 toward principal buy-down for new or significantly rehabilitated homes in the area.



TEA 21 Transportation Enhancement Funding

Description

In the past the City of Independence has applied for and received federal transportation enhancement (TE) funding through the Surface Transportation Program (STP) authorized by the Transportation Equity Act for the 21st Century (TEA 21). Ten percent (10%) of the STP funds have been set aside for transportation enhancements under TEA 21. Communities in the Kansas City Metropolitan Region submit proposals for TE funds to the Mid-America Regional Council (MARC), which serves as the designated Metropolitan Planning Organization (MPO) for the Kansas City Metropolitan Region. Transportation enhancements (TE) are transportation-related activities that are designed to strengthen the cultural, aesthetic, and environmental aspects of the nation's intermodal transportation system. The Transportation Enhancements Program provides for the implementation of a variety of non-traditional projects, with examples ranging from the restoration of historic transportation facilities, to bike and pedestrian facilities, to landscaping and scenic beautification, and to the mitigation of water pollution from highway runoff. Most of a project's costs are paid with federal funds, but there is a local match requirement of 25% of the project's costs. Congress has extended the program, but has not passed new legislation to become a successor to TEA 21. Regardless of the new legislation, federal transportation funding local communities will still likely come through MARC following submission and approval of a proposal to MARC's Total Transportation Policy Committee.

Past Use

The U.S. 24 Highway Corridor has been the recipient of TE funds for several projects. One such project was a bike trail on the east edge of the Study Area that extends from McCoy Park to Mill Creek Park, running along the western edge of the Truman Presidential Museum and Library grounds. Another project put in the new street lights and landscaping along the U.S. 24 Highway bridge near the Truman Library. Landscaping and new lights were also funded through TE funds for the other end of U.S. 24 Highway near the Mt. Washington Cemetery.

Potential Use Within the U.S. 24 Highway Corridor

Historically TE funding has been especially useful in improving the Corridor, and it is anticipated that additional funding will be provided by the federal government. Future projects might include medians in Fairmount or at the Eastern or Western Gateways, sidewalk or trail improvements to connect redevelopment nodes, lighting, landscaping, or restoration of streams as they are impacted by the Corridor. As new legislation goes into effect, a person or organization will need to be in contact with the Public Works Department of the City of Independence to ensure that proposals for U.S. 24 Highway are submitted to MARC for funding. Prior to applying for the funding, a project must be identified, plans prepared, costs estimated, and matching funds enlisted. The City Council will need to approve the proposal. The City's Public Works Department

and Community Development Department will have a lead or significant supporting role in the design and engineering of the proposed plans.

Kansas City Neighborhood Alliance (KCNA) Neighborhood Self Help Fund

Description

The Neighborhood Self Help Fund (NSHF) provides funding for small projects identified by Kansas City Metropolitan grass roots neighborhood groups in low/moderate income areas that will accomplish significant neighborhood goals, build leadership capacity, and encourage strategic thinking and planning.

NSHF grants target qualified low/moderate income neighborhoods to support crime prevention, youth activities, minor home repairs, neighborhood clean ups, house painting programs, identifying neighborhood assets and other eligible projects based on NSHF criteria.

The Kansas City Neighborhood Alliance (KCNA) administers the Neighborhood Self-Help Fund (NSHF) and works in partnership with the NSHF Funders Committee to awards these grants annually. The 2002 - 2003 cycle was the 19th funding year for this program, with 96 groups receiving grants for the period of May 2002 through April 2003, totaling \$338,000.

Neighborhood leaders also benefit by learning how to develop projects, write grant proposals, implement and report on grants and increase their capacity throughout the grant process.

Past Use

Recently, KCNA has sought to broaden participation of neighborhoods in first-ring suburbs like Independence. Several neighborhoods in Independence have applied for and received grants through the NSHF program.

Potential Use

It is quite likely that any organized neighborhood in the U.S. 24 Highway Corridor area could receive funding through the NSHF program. Also, the hope of receiving funds through the program may spur some neighborhoods into organizing, which in itself is very valuable in helping the neighborhoods in the U.S. 24 Highway Corridor stabilize. More information can be found at <http://www.kcna.org/kcna/nshf/>.

City of Independence Commercial Facade Improvement Program

Description

The Commercial Facade Improvement Program (CFIP) offers financial assistance to property owners or tenants seeking to rehabilitate commercial building facades in the Fairmount, Englewood, Maywood, and Independence Square Business Districts. Using CDBG funds (see above), the City makes grants available of \$10,000 per eligible facade, up to a maximum of \$25,000 per building (or contiguous building facades), for well-designed exterior facade improvements to eligible commercial and mixed-use structures. The types of improvements that can be funded include exterior restoration of architectural details, window and door treatments, installation of awnings, and lighting. Grants are awarded in the form of a 5-year declining balance loan/grant for eligible expenses. Loan balance declines at a rate of 20% per year provided the improved building is maintained in compliance with the program guidelines. Project applications are reviewed and funded on a first-come first-served basis until program funds are depleted. To be eligible, project applicants must either provide a sealed licensed engineer's or architect's report verifying that the building's structural, mechanical, plumbing and electrical systems are currently code compliant. Project plans must also comply with the Design Guidelines for Independence Historic Commercial Districts, as adopted by the City. Projects must also meet other City and federal requirements, including the requirement to pay prevailing (Davis-Bacon) wages for projects that receive more than a \$2,000 grant.

Past and Potential Use

Evidence of the success of this program can be seen all around the area of the historic Independence Square and Maywood Business District. Application of this program to the Fairmount Business District holds significant promise to the south side of U.S 24 Highway to assist in retaining the historic character.

X. Other Tools – Public and Private Partnerships

Business Retention and Recruitment

The Independence Council for Economic Development (ICED) has responsibility for business retention and recruitment efforts. The City could provide staff assistance to the ICED to assure an increased level of services. The goal is to become more pro-active in the marketing and management of the revitalization process on the Corridor.

Independently owned small business is the foundation of the U.S. 24 Highway Corridor's economy. The retail sector is currently unable to support national chains in this area. Small businesses have historically suffered from a high failure rate stemming from the absence of a

business plan and business experience, under capitalization, lack of knowledge in the local market, seasonal fluctuations in business and poor marketing. The City and/or economic development organization should establish a plan to aid existing businesses through educational programs and available funding sources.

Marketing and Promotions

Promoting the Fairmount Business District within the U.S. 24 Highway Corridor as a unified shopping and entertainment district with a unique identity is an important factor in building a strong and vibrant business community. Development of a merchant's association organization responsible for marketing of the Fairmount Business District and sponsoring special events and festivals is essential. With the assistance of the City and private sector, the organization responsible for marketing and promotions could, over time, expand its scope and become more actively involved in marketing the entire U.S. 24 Highway Corridor and prompting heritage tourism. Potential sources of private sector funding include membership dues, funds generated by special events, fund raising, advertising revenues, and implementing a self-imposing taxing jurisdiction to raise funds (i.e., Community Improvement District).

Adoption as an Element of the Comprehensive Plan, Zoning and Development Standards

The City should facilitate revitalization efforts beginning with adoption of a component of the City of Independence Comprehensive Plan, designed to guide future land use policy specific to the Corridor. Implementation will include establishing overlay districts and adopting an infill strategy. Zoning inconsistent with the Corridor Plan's vision should be rezoned.

Other overlay districts should be created for such special use areas as the Fairmount Business District, Crisp Lake, and BP residential redevelopment site which includes both Independence and Sugar Creek. Overlay districts will establish revitalization boundaries whereby more comprehensive and flexible land use policies may be implemented. The goal will be to encourage creative, mixed-use development.

To facilitate new development within the U.S. 24 Highway Corridor, the City should design and implement an infill strategy. Infill development is the process of developing vacant or underutilized parcels within existing urban areas that are already largely developed. The U.S. 24 Highway Corridor maintains a substantial inventory of properties of these types; however, many of the properties are constrained due to small parcel size, odd shape or other conditions. The City's infill strategy should promote quality infill development and establish priorities and programs to facilitate redevelopment in targeted areas. The infill strategy will assist in financially feasible development of infill properties and facilitate creative mixed-use and housing development.

Major goal and policy recommendations regarding infill development within the U.S. 24 Highway Corridor are summarized by the following bullet points:

- Promote infill development, rehabilitation and reuse that contributes positively to the surrounding area and assists in meeting neighborhood and other City goals;
- Revise City plans and ordinances to support infill development goals and create more flexible development standards for infill development;
- Provide infrastructure improvements to allow increased infill development potential;
- Provide focused incentives and project assistance to infill development; and
- Engage the community to ensure new infill development addresses neighborhood concerns and to gain greater acceptance and support for infill development.

Major components of a successful infill strategy include:

- Strong policy support and commitment from decision makers and City departments;
- Area plans and zoning that support infill development goals and facilitate small-scale projects;
- Streamline regulatory process and flexible development standards;
- Provide financial incentives to enhance financially feasible development and promote creative project design;
- Clear building design guidelines; and
- Community acceptance.

Public/Private Sector Partnerships

When significant public incentives are required to make a project financially feasible public/private sector partnerships are often utilized. Through a legally binding agreement, both parties enter into a development agreement outlining the responsibilities, financial contributions and profit sharing for each party. Such an equity partnership can involve added risk by exposing the City to additional financial responsibilities should the project fail. Potential applications for a public/private sector partnership would involve the construction of senior and entry-level housing and commercial facilities, granting exclusive development rights of the gateways and public open space, granting concession rights, and funding merchant associations and streetscape improvements.

Attract Real Estate Development and Investment

The City should assist in attracting real estate investment through such actions as establishing land use and development standards, conveying City-owned properties for new home construction, offering economic incentives when possible, promoting public-private sector partnerships, TIF, establishing a Missouri 353 Development Plan, and administering low or no interest loans and grants.

XI. Summary

Implementation will determine the success of the revitalization of the Corridor. The types of tools and their application are summarized in Table 6-7. An oversight body should be formed to implement the plan, meeting monthly to ensure the action plan steps are completed. This group could be led by BP, the City of Independence and Sugar Creek. Key involvement of groups such as the Northwest Communities Development Corporation will be critical to the success of the Plan. This Plan should be updated every five years to ensure it reflects recent actions and strategies.