

ORDINANCE NO. 240275

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Sponsor: Councilmember Melissa Robinson

Estimating and appropriating bond proceeds in the Taxable Special Obligation Series 2025A Bond Fund to support the District Row Project; directing the City Manager to negotiate a development agreement to support the District Row Project within 90 days and report back to Council for approval; and establishing an effective date.

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WHEREAS, the central city that comprises most of the City's historically economically-disadvantaged neighborhoods has seen a disproportionate share of population loss; and

WHEREAS, the availability of housing stock is a driving factor in maintaining residential stability; and

WHEREAS, although the availability of affordable housing is critical, the availability of all types of housing, including luxury housing, increases housing stock and adds to the sustainability of a vibrant neighborhood; and

WHEREAS, the District Row project consists of 10 acres of land between 22nd and 20th Streets (Paseo to Tracy); and

WHEREAS, the City Council passed Ordinance No. 210698 to estimate and appropriate bond proceeds for this project and to declare its intent to support future phases of the District Row Project; and

WHEREAS, the developer is seeking from the City \$750,000.00 for the project that will preserve 37,000 square feet of the Western Bible College ~~and \$2.2 million for the construction of 35 luxury townhomes~~ in Phase ~~Two~~One; and

WHEREAS, the City's contribution to Phase One of the project will be funded with the issuance of taxable special obligation bonds in Spring 2025 and the payment of scheduled debt service on the bonds is expected to be from a combination of HUD HOME or CDBG dollars, Capital Improvements Sales Tax (subject to approval of appropriate use), and General Fund; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY THAT:

Section 1. Establishing Fund No. 3453, 2025A Taxable Special Obligation Bond Fund, on the books and records of the City.

Section 2. That the revenue in the following account of Fund No. 3453, the Taxable Special Obligation Series 2025A Bond Fund, is hereby estimated in the following amount:

AL-3453-120000-590000

Bond Proceeds

\$750,000.00

Section 3. That the sum of \$750,000.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 3453, Taxable Special Obligation Series 2025A Bond Fund, to the following account:

AL-3453-552046-B

District Row Housing

\$750,000.00

Section 4. That the Director of Housing is designated as requisitioning authority for Account No. AL-3453-552046-B.

Section 5. That the Director of Finance is hereby authorized to close project accounts, encumbrances and retainage related to the accounts in Section 3 and return the unspent portion to the fund balance from which it came upon the earliest of: (i) Project's completion; (ii) final maturity of financing, or (iii) five years after issuance.

Section 6. That the City Council hereby declares its official intent to reimburse itself for certain expenditures made within sixty (60) days prior to or on and after the date of this Ordinance with respect to appropriations in Section 3, (the "Appropriation") with the proceeds of bonds expected to be issued by the City. The maximum principal amount of bonds expected to be issued for the Appropriations is not to exceed \$750,000. This constitutes a declaration of official intent under Treasury Regulation 1.150-2.

~~Section 7. That the City Manager is hereby directed to negotiate a Development Agreement for Phase I of the District Row project within 90 days, said agreement not to exceed \$3.3 million, and report back to Council for approval.~~

Section ~~7~~8. That this ordinance shall become effective on May 1, 2024.

..end

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

Tammy L. Queen
Director of Finance

Approved as to form and legality:

Joseph Guarino
Senior Associate City Attorney