

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 260069

Authorizing the Director of General Services to execute a ten-year lease with two options to renew for five years each with United Market KC, LLC for the operation of a grocery store located at 3110 Prospect Avenue, Kansas City, Missouri 64128; reducing previously appropriated funds in the Development Services Fund by \$750,905.40 and appropriating the same; reducing previously appropriated funds in the Linwood STIF Fund by \$347,191.30 and appropriating the same; appropriating \$401,903.30 from the Unappropriated Fund Balance of the Shared Success Fund; designating requisitioning authority; authorizing the City Manager to execute a Third Amendment to Cooperative Agreement with the Linwood Shopping Center CID; authorizing an expenditure of \$150,000.00 from previously appropriated funds; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, in furtherance of its commitment to East Side revitalization and equity and pursuant to Ordinance Nos. 160448 and 160451, the City invested more than \$15 million to acquire, construct, and equip the Linwood Shopping Center located at the intersection of Linwood Boulevard and Prospect Avenue in Kansas City's East Side, including a grocery store located at 3110 Prospect Avenue (the "Grocery Store"); and

WHEREAS, the former occupant vacated the Grocery Store in August of 2025; and

WHEREAS, the City seeks to enter into a lease with and provide initial operational support to a new operator of the Grocery Store to address the City's goals of fostering a thriving local economy; promoting vibrant, livable neighborhoods, and improving public health to those living in food deserts by providing access to sustenance to those who may not otherwise have easy access to groceries and healthy food options; and

WHEREAS, the City has identified United Market KC, LLC as a new operator and tenant of the Grocery Store and a total of \$1.5 million is needed for initial start-up costs; and

WHEREAS, the City entered into a cooperative agreement with the Linwood Shopping Center Community Improvement District ("Linwood CID") on October 21, 2020, setting forth the roles and responsibilities of the parties with respect to the administration, enforcement, and operation of the Linwood CID's sales and use tax, revenues collected, and administration of property management and security for properties located within the Linwood CID, as contemplated in Ordinance No. 180778; and

WHEREAS, pursuant to Committee Substitute for Ordinance No. 240980, the City and Linwood CID entered into a First Amendment to Cooperative Agreement on April 7, 2025; and

WHEREAS, pursuant to Ordinance No. 250400, the parties entered into a Second Amendment to Cooperative Agreement on May 13, 2025; and

WHEREAS, due to a continued need for security, property maintenance, and operational support for the area served by the Linwood CID, the parties seek to enter into a Third Amendment

to Cooperative Agreement, extending the term by an additional year and increasing support for the current fiscal year from \$250,000.00 to \$400,000.00; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Director of General Services is hereby authorized to execute a lease agreement with United Market KC, LLC for the operation of a grocery store located at 3110 Prospect Avenue. The lease agreement in substantial form is attached hereto.

Section 2. That the appropriation in the following account of the Development Services Fund, Fund No. 2210, is hereby reduced by the following amount:

26-2210-642044-619080	CID Support	\$750,905.40
-----------------------	-------------	--------------

Section 3. That the sum of \$750,905.40 is hereby appropriated from Unappropriated Fund Balance of the Development Services Fund to the following account:

26-2210-077703-619080- 07P26LNWDUNMKC	Linwood United Market KC	\$750,905.40
---------------------------------------	--------------------------	--------------

Section 4. That the appropriation in the following account of the Linwood STIF Fund, Fund No. 5305, is hereby reduced by the following amount:

26-5305-552556-619080	Linwood STIF	\$285,691.30
26-5305-552556-611060	Linwood STIF	<u>61,500.00</u>
	TOTAL	\$347,191.30

Section 5. That the sum of \$347,191.30 is hereby appropriated from Unappropriated Fund Balance of the Linwood STIF Fund to the following account:

26-5305-077703-619080- 07P26LNWDUNMKC	Linwood United Market KC	\$347,191.30
---------------------------------------	--------------------------	--------------

Section 6. That the sum of \$401,903.30 is hereby appropriated from Unappropriated Fund Balance of Shared Success Fund, Fund No. 2590, to the following account:

26-2590-077703-B 07P26LNWDUNMKC	Linwood United Market KC	\$401,903.30
---------------------------------	--------------------------	--------------

Section 7. That the Director of General Services is designated as the requisitioning authority for Account No. 26-2210-077703-619080-07P26LNWDUNMKC, 26-5305-077703-619080- 07P26LNWDUNMKC, and 26-2590-B-07P26LNWDUNMKC.

Section 8. The City Manager is hereby authorized to execute a Third Amendment to Cooperative Agreement with the Linwood CID, attached hereto in substantial form.

Section 9. That the City Manager is authorized to expend \$150,000.00 from previously appropriated funds in Account No. 5305-552556-619080 Linwood Property Management.

760069

Section 10. That this ordinance relating to the appropriation of money is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(C) of the City Charter and shall take effect in accordance with Section 503, City Charter.

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.

William Choi
William Choi
Interim Director of Finance

Approved as to form:

Abigail Judah
Abigail Judah
Assistant City Attorney



Authenticated as Passed

Ryan D. Miller
Quinton Miller, Mayor

Marilyn Sanders
Marilyn Sanders, City Clerk

JAN 29 2026

Date Passed