



File #: TMP-4817

240905

ORDINANCE NO. TMP-4817

Authorizing Amendment No. 3 to First Amended and Restated Lease Agreement Kansas City Riverfront between the City of Kansas City, Missouri and Port KC for the purpose of furthering the development of a hotel.

WHEREAS, the City and Port KC are parties to that certain First Amended and Restated Lease Agreement Kansas City Riverfront dated August 21, 2006, as subsequently amended by that certain Amendment No. 1 to First Amended and Restated Lease Agreement Kansas City Riverfront dated September 21, 2011, and that certain Amendment No. 2 to First Amended and Restated Lease Agreement Kansas City Riverfront dated January 6, 2020, as the same may be further amended from time-to-time (collectively, the "Riverfront Lease"), whereby the City leases certain real property and improvements generally located east of the Christopher S. Bond Bridge (collectively, the "Riverfront Property") to Port KC for a term ending August 20, 2056; and

WHEREAS, Port KC currently subleases the majority of the Riverfront Property to IOC-Kansas City, Inc. and/or its successors or assigns pursuant to the terms of that certain Amended and Restated Lease Agreement dated August 21, 1995, as subsequently amended by that certain First Amendment to Amended and Restated Lease Agreement dated October 31, 1995, and that certain Second Amendment to Amended and Restated Lease Agreement dated June 10, 1996, and that certain Third Amendment to Amended and Restated Lease Agreement dated July 1, 2020, as the same may be further amended from time-to-time (collectively, the "Casino Sublease"); and

WHEREAS, Bally's Corporation currently operates the casino ("Bally's Casino") pursuant to the Casino Sublease and is currently the only casino in the State of Missouri without an on-site hotel; and

WHEREAS, the lack of an on-site hotel has been a deterrent to Bally's Casino reaching its maximum potential as it is unable to accommodate those customers desiring the amenities, services and experience that an on-site hotel is able to provide; and

WHEREAS, the lack of an on-site hotel has been, and continues to be, a detriment to Kansas City, Missouri inasmuch as the City is unnecessarily foregoing the public revenues that an on-site hotel provides through increased sales tax collections, gaming revenues, and convention and tourism taxes; and

WHEREAS, the construction of a hotel will not result in a reduction of any revenues currently being generated under the terms of the Casino Sublease, such that there will be no loss of funds generated for funding public improvements on and adjacent to the Missouri River as contemplated by the Riverfront Lease; and

WHEREAS, the construction of a hotel will instead result in the generation of increasing revenues for the City, such that it is in the public interest; and

WHEREAS, True North Hotel Group (the "Hotel Developer") has been in discussions with Bally's Casino about the possibility of constructing an approximately 123-room hotel on a portion of the Riverfront Property currently included within the Casino Sublease, and Bally's Casino has expressed an interest in pursuing that possibility further; and

WHEREAS, the terms of the Riverfront Lease need to be amended for purposes of allowing the hotel project to proceed; NOW THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. The City Manager is authorized to execute Amendment No. 3 to First Amended and Restated Lease Agreement Kansas City Riverfront, in substantially the form attached hereto and on file in the City Manager's Office.

Approved as to form:




Authenticated as Passed


Quinton Lucas, Mayor


Marilyn Sanders, City Clerk

NOV 07 2024

Date Passed


Abigail Judah
Assistant City Attorney