

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 250436

Establishing the Small Business Storefront Vacancy Revitalization program (the "Pilot Program") for the purpose of revitalizing vacant storefronts in Kansas City in anticipation of the 2026 World Cup games; authorizing the Director of Neighborhood Services to enter into an agreement with the Economic Development Corporation of Kansas City in an amount not to exceed \$1,400,000.00 for the purpose of administering the Pilot Program; reducing previously appropriated funds in the Development Services Fund by \$1,000,000.00 and appropriating the same for the Pilot Program; reducing previously appropriated funds in the Economic Development Fund by \$400,000.00 and appropriating the same; designating requisitioning authority; directing the City Manager to submit a subsequent ordinance to the City Council for review and approval of Pilot Program recipients; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, the City of Kansas City recognizes that in anticipation of the 2026 World Cup, Kansas City has a unique opportunity to revitalize the City's vacant storefronts through strategic policy reform and incentives; and

WHEREAS, by addressing the challenges faced by small businesses and encouraging property owners to adapt their spaces, we can foster a vibrant commercial environment that benefits both residents and visitors; and

WHEREAS, funding for the program presents a unique opportunity for the City to create a thriving commercial landscape that supports small businesses, engages the community, and attracts visitors during the 2026 World Cup and beyond; and

WHEREAS, the implementation of a small business storefront vacancy revitalization pilot program aims to support small businesses and artists by transforming vacant storefronts into affordable micro-retail spaces; and

WHEREAS, the City desires to support small and local businesses in their efforts to prepare for the 2026 World Cup games, and by leveraging private property partnerships and offering financial and technical support to small businesses and artists, the Pilot Program seeks to create a bustling urban atmosphere that benefits both the local community and incoming tourists; and

WHEREAS, the City recognizes this opportunity allows entrepreneurs and artists to experiment with their ideas in a real-world setting, gaining invaluable insights into customer interactions and market potential; participants can refine their business models based on direct feedback, ensuring their concepts are well-tailored to meet consumer needs; and

WHEREAS, through Ordinance No. 240230, the City Council adopted Amendment C of the FY24-25 Adopted Budget to include \$400,000.00 in the Economic Development Fund for small business support; and

WHEREAS, through Ordinance No. 250175, the City Council adopted Amendment C of the FY25-26 Adopted Budget to include \$1,000,000.00 in the Development Services Fund for readiness for World Cup for small business strategic plan; and

WHEREAS, the establishment of the “Small Business Storefront Vacancy Revitalization” program aligns with the City’s goals of fostering a thriving local economy, supporting small businesses, and creating vibrant, livable neighborhoods; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Small Business Storefront Vacancy Revitalization Program (“Pilot Program”) is hereby established to provide financial assistance to eligible artists and small business owners to be granted free or reduced leases for short-term placements or subsidized long-term lease funding, along with expert support in commercial space development, marketing, business planning, and lease negotiations.

Section 2. That the Director of Neighborhood Services is authorized to enter into an agreement with the Economic Development Corporation of Kansas City in an amount not to exceed \$1,400,000.00 for the purpose of administering the Pilot Program and shall establish necessary rules, regulations, and procedures to ensure its effective implementation, subject to the following conditions:

a. Activations and Eligibility

1. Eligible chosen artists and small business owners will be granted free or reduced leases for short-term placements or subsidized long-term lease funding, along with expert support in commercial space development, marketing, business planning, and lease negotiations.
 - i. **Long Term Lease Agreement** - for small businesses entering long-term leases of at least 1 year, the program will provide funding to help subsidize up to 1 year of the agreement along with a stipend for working capital to support their activation.
 - ii. **Small Biz Pop-Up** - lasting 3-6 months, targeting retail, food and live entertainment businesses. This activation would offer a fixed stipend to the business owner for working capital for their activation. A monthly stipend will be provided to the property owner to cover rent and utilities for the activation.
 - iii. **Artist Residency**- activation of up to 3-6 months that can include space for 1-5 artists to create and/or sell their artwork or provide live performances. A stipend is provided to each artist during the activation for working capital and activities (i.e. Artist Talks and Events). A monthly stipend will be provided to the property owner to cover rent and utilities for the activation.
 - iv. **Public Art Installation**- a partnership between an artist and a private property owner (commercial or residential) to design and

build a public art installation. The goal of this activation is to create wayfinding for visitors for major tourism events and enhance foot traffic in neighborhoods businesses nodes and commercial districts.

2. To be eligible, a business or artist must:
 - i. Possess all necessary licenses and permits, and maintain good standing with the City; and
 - ii. Maintain consistent hours of operation; and
 - iii. Be a local or national business engaged in the operation of, but not limited to, retail, restaurant, food based, beverage, personal improvements, etc.; or
 - iv. Be a for-profit or social enterprise (non-profit) retail, food-based, or artists' organization; or
 - v. Be an artist engaged in visual arts, sculptures, performance or any other medium (will vary based on available location).

b. Application and Review Process

1. The Economic Development Corporation of Kansas City and KC Bizcare shall review applications on a rolling basis until funds are exhausted.
 - i. Applicants will submit an online program application with supporting documents.
 - ii. A panel will assess the applications
 - iii. Accepted applications will engage in a matchmaking process with available spaces.

Section 3. That the sum of \$1,000,000.00 is hereby reduced in the following account of the Development Services Fund:

26-2210-571040-B	BizCare	\$1,000,000.00
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Section 4. That the sum of \$1,000,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Development Services Fund to the following account:

26-2210-571800-B	Storefront Vacancy Program	\$1,000,000.00
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Section 5. That the sum of \$400,000.00 is hereby reduced in the following account of the Economic Development Fund:

26-2215-101040-B	BizCare	\$400,000.00
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Section 6. That the sum of \$400,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Economic Development Fund to the following account:

26-2215-571800-B	Storefront Vacancy Program	\$400,000.00
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Section 7. That the Director of Neighborhood Services is hereby designated as requisitioning authority for Account Nos. 26-2210-571800 and 26-2215-571800.

Section 8. That the City Manager is hereby directed to submit a subsequent ordinance to City Council for final review and approval of Pilot Program recipients.

Section 9. That this ordinance is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(C) of the City Charter in that it appropriates money, and shall take effect in accordance with that section.

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.



Authenticated as Passed

Quinton Lucas, Mayor

Marilyn Sanders, City Clerk

JUN 05 2025

Date Passed

Tammy L. Queen
Director of Finance

Approved as to form:

Samuel E. Miller
Samuel E. Miller
Assistant City Attorney