



File #: 260379

ORDINANCE NO. 260379

Reducing a revenue estimate and appropriation in the amount of \$4,166,667.00 within the General Obligation Series 2022A Question 1 Fund originally established for the Promise Place housing project; estimating and appropriating surplus TIF revenue in the amount of \$1,100,000.00 from the anticipated termination of the Blue Ridge Mall TIF Plan and providing for an additional appropriation from the Shared Success Fund for the Promise Place housing project; restating the City Manager's authorization to execute an agreement with the Promise Place, LLC for utilization of funds appropriated herein; modifying the timeline for substantial completion of the project; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, Council passed Committee Substitute for Ordinance No. 210695 and Committee Substitute for Ordinance No. 210696 on September 23, 2021, each of which provided potential funding sources for Third District housing projects to include Olive Street Housing and Forest Street Housing in Beacon Hill; and

WHEREAS, Council estimated and appropriated \$2,666,667.00 of 2022A Question 1 General Obligation bond proceeds for the Olive Street Housing project with the passage of Committee Substitute for Ordinance 210695 but the bonds were never issued; and

WHEREAS, Council estimated and appropriated \$1,500,000.00 of 2022A Question 1 General Obligation bond proceeds for the Forest Street Housing project with the passage of Committee Substitute for Ordinance No. 210696 but the bonds were never issued; and

WHEREAS, Ordinance No. 210695 authorized the City Manager to negotiate and execute a \$2,666,667.00 development agreement for the purpose of constructing a 101-unit affordable housing development located at 4423 Olive Street; and

WHEREAS, Council passed Ordinance No. 220430 on May 26, 2022, that authorized the Director of Housing and Community Development to negotiate and execute a CCED Funding Agreement with Promise Place, LLC, in the amount of \$3,600,000.00 for the same development at 4423 Olive Street; and

WHEREAS, Council passed Ordinance No. 240504 on July 18, 2024, that awarded the Promise Place project \$250,000.00 in Community Development Block Grant (CDBG) dollars and \$250,000.00 in federal HOME dollars; and

WHEREAS, Code § 74 – 12 provides that Council may modify the construction timeline for projects; and

WHEREAS, Council passed Ordinance No. 250289 on April 17, 2025, which modified the construction timeline for the Promise Place project as to require substantial completion by December 31, 2027; and

WHEREAS, Council passed Committee Substitute for Ordinance No. 250402, As Amended, on June 5, 2025, which appropriated \$1,500,000.00 from the Housing Trust Fund for the Promise Place project, conditioned on the project receiving an award of 4% Low-Income Housing Tax Credits (LIHTC) from the Missouri Housing Development Commission no later than December 31, 2025; and

WHEREAS, Committee Substitute for Ordinance No. 250402, As Amended, directed the City Manager to negotiate and execute a funding agreement for Promise Place Housing utilizing funds appropriated therein; and

WHEREAS, Council passed Ordinance No. 041238 on February 24, 2005, which accepted the recommendations of the Tax Increment Financing Commission and adopted the Blue Ridge Mall Tax Increment Financing Plan; and

WHEREAS, the City anticipates the Blue Ridge Mall TIF Plan to be terminated; and

WHEREAS, the City anticipates receiving in excess of \$1,100,000.00 of surplus revenues following the termination of the Blue Ridge Mall TIF Plan; and

WHEREAS, the City Council desires to utilize a combination of the Blue Ridge Mall surplus TIF revenue and \$800,000.00 of Shared Success revenues in-lieu of 2022A Question 1 bond proceeds to support the Promise Place project due to a lack of eligible project expenses conforming to the requirements for Question 1 general obligation bonds; and

WHEREAS, the Shared Success Fund is projected to have a balance of approximately \$1,200,000.00 at the end of Fiscal Year 2026-27; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the revenue estimate in the following account of the General Obligation Series 2022A Question 1 Bond Fund, No. 3522, is hereby reduced in the following amount:

AL-3522-120000-590000	Bond Proceeds	\$4,166,667.00
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Section 2. That the appropriation in the General Obligation Series 2022 A Question 1 Bond Fund, No. 3522, is hereby reduced in the following amount:

AL-3522-552046-B	Economic Development	\$4,166,667.00
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Section 3. That the revenue in the General Fund, No. 1000, is estimated in the following additional amount:

27-1000-120000-480560	Surplus TIF Revenue	\$1,100,000.00
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Section 4. That the sum of \$1,100,000.00 is hereby appropriated from the Unappropriated Fund Balance of the General Fund to the following account:

27-1000-552046-B-55PROMPLACE	Economic Development	\$1,100,000.00
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Section 5. That the sum of \$800,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Shared Success Fund to the following account:

27-2590-552046-B-55PROMPLACE	Economic Development	\$ 800,000.00
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Section 6. That the Director of Housing is designated as requisitioning authority for Account Nos. 27-1000-552046-B-55PROMPLACE and 27-2590-552046-B-55PROMPLACE.

Section 7. That the City Council reaffirms its direction to the City Manager to negotiate and execute a funding agreement for Promise Place Housing, as provided in Ordinance No. 220430,utilizing funds appropriated herein and funds previously appropriated in Account Nos. 27-2490-552046-B-55PROMPLACE and 27-2490-555996-B-55PROMPLACE.

Section 8. That pursuant to Code § 74-12, the timeline for substantial completion of the Promise Place project, located at 4423 Olive Street, is hereby modified to require substantial completion by December 31, 2029.

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.

William Choi

William Choi
Interim Director of Finance

Approved as to form:

Emalea Kohler for

Emalea Kohler
Associate City Attorney



Authenticated as Passed

[Signature]

Quinton Lucas, Mayor

[Signature]

Marilyn Sanders, City Clerk
MAY 14 2026

Date Passed