



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 250392

Submitted Department/Preparer: Housing

Revised 6/10/24

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

Accepting the recommendation of the Central City Economic Development Tax Board for additional funding in the amount of \$100,000.00; reducing an existing appropriation by \$100,000.00; appropriating \$100,000.00 from the Unappropriated Fund Balance; and authorizing the Manager of Procurement Services to execute the necessary documents to amend the funding agreements and expend up to \$100,000.00 from the funds appropriated in the Central City Economic Development Tax Fund.

Discussion

Section 67.1305 of the Revised Statutes of Missouri authorizes the City to impose a retail sales tax not to exceed one-half of one percent if the imposition of such a retail sales tax is submitted to, and then approved by, a majority of the votes cast.

On April 4, 2017, pursuant to authority granted by Section 67.1304, RSMo, a majority of Kansas City, Missouri voters approved a new 1/8 of one percent retail sales tax for funding economic development projects within the area bounded by 9th Street on the north, Gregory Boulevard on the South, Paseo Boulevard on the West and Indiana Avenue on the east.

The developers requested a public contribution and the Central City Economic Development Sales Tax Board recommendation that funding be approved.

The Developer's subsequently identified a need for additional funding due to increases in construction labor and construction material.

The project serves a predominantly public municipal purpose because, without limitation, completion of the project (i) enhances the tax base of the Project Site; (ii) retains and generates jobs; (iii) promotes economic development in the area of the City in which the Project Site is located, and promotes consideration of areas of the City that the City Council has determined to be blighted as a location for business operations; (iv) results in generation of tax revenues to the City from the conduct of business and other activities in the City that would not otherwise occur; (v) serves as a catalyst for additional investment in and further redevelopment and rehabilitation of the area of the City in which the Project Site is located; and (vi) furthers the City's policy of encouraging economic stability and growth.

The City desires to encourage the Developer to carry out the project for the purpose of realizing these predominantly public purposes by entering into an agreement to contribute certain revenues in an amount needed to cause the project to be undertaken and attract the necessary private investment.

The contributions contemplated by the Funding Agreement are limited to those which have been determined to be needed for the purpose of ensuring that the project proceeds, and but for their contribution, the project would not proceed, to the detriment of the public interest.

Fiscal Impact

1. Is this legislation included in the adopted budget? ☒ Yes ☐ No

2. What is the funding source?

25-2200-555998-619850-55 Budget Budget Integration Account \$100,000.00
(Central City Sales Tax Fund)

3. How does the legislation affect the current fiscal year?

CCED Board Voted to recommend an increase in funding for certain projects.

4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

N/A

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?

N/A

Office of Management and Budget Review

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund. ☐ Yes ☒ No

2. This fund has a structural imbalance. ☒ Yes ☐ No

3. Account string has been verified/confirmed. ☒ Yes ☐ No

Additional Discussion (if needed)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

1. View the [Adopted 2025-2029 Citywide Business Plan](#)

2. Which CWBP goal is most impacted by this legislation?
Housing and Healthy Communities (Press tab after selecting.)
3. Which objectives are impacted by this legislation (select all that apply):
 - ☒ Utilize planning approaches in neighborhoods to reduce blight, ensure sustainable housing, and improve resident wellbeing and cultural diversity.
 - ☒ Maintain and increase affordable housing supply to meet the demands of a diverse population.
 - ☒ Address the various needs of the City's most vulnerable population by working to reduce disparities.
 - ☒ Foster an inclusive environment and regional approach to spur innovative solutions to housing challenges.
 - ☒ Ensure all residents have safe, accessible, quality housing by reducing barriers.
 - ☐ Protect and promote healthy, active amenities such as parks and trails, play spaces, and green spaces.

Prior Legislation

Ordinance 240620

Service Level Impacts

The Developer subsequently identified a need for additional funding due to increase in construction labor and construction materials.

Other Impacts

1. What will be the potential health impacts to any affected groups?
N/A
2. How have those groups been engaged and involved in the development of this ordinance?
N/A
3. How does this legislation contribute to a sustainable Kansas City?
(i) enhances the tax base of the Project Site; (ii) retains and generates jobs; (iii) promotes economic development in the area of the City in which the Project Site is located, and promotes consideration of areas of the City that the City Council has determined to be blighted as a location for business operations; (iv) results in generation of tax revenues to the City from the conduct of business and other activities in the City that would not otherwise occur; (v) serves as

a catalyst for additional investment in and further redevelopment and rehabilitation of the area of the City in which the Project Site is located; and (vi) furthers the City's policy of encouraging economic stability and growth

4. Does this legislation create or preserve new housing units?
No (Press tab after selecting)

Click or tap here to enter text.

Click or tap here to enter text.

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

No - CREO's review is not applicable (Press tab after selecting)

CUP and LOI will be submitted to CREO before a Notice to Proceed is issue to the developer.

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No(Press tab after selecting)

NA

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?

No(Press tab after selecting)