

GENERAL

Ordinance Fact Sheet

Ordinance Number

Brief Title

Providing funding for certain streetcar system expansion costs and approving an overall plan of finance and related agreements for the expansion.

Reason

Authorization to establish the necessary funds, estimate revenue and appropriations, and perform certain actions required to carry out the expansion of the streetcar system.

<p>Reason for Legislation</p> <p>Stating the intent of the City Council to finance the streetcar system expansion project in an amount not to exceed \$185,000,000; establishing Fund No. 3440, the Special Obligation Series 2020B Fund; estimating revenue and appropriating \$9,100,000 in Fund 3440, the Special Obligation Series 2020B Fund; authorizing certain streetcar-related agreements; approving a plan of finance for the streetcar expansion; designating requisitioning authorities; authorizing the Director of Finance to close project accounts upon completion; declaring the intent of the City to reimburse itself from the bond proceeds for certain expenditures; and recognizing this ordinance as having an accelerated effective date.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Sponsor</td> <td>Randall J. Landes, Director of Finance</td> </tr> <tr> <td>Programs, Departments, or Groups Affected</td> <td>Finance Department</td> </tr> </table>	Sponsor	Randall J. Landes, Director of Finance	Programs, Departments, or Groups Affected	Finance Department						
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<p>Discussion (explain all financial aspects of the proposed legislation, including future implications, any direct/indirect costs, specific account numbers, ordinance references, and budget page numbers.)</p> <p>In 2012, the Kansas City Downtown Streetcar Transportation Development District ("Downtown TDD") was established. The current streetcar line is funded by tax revenues collected within the TDD.</p> <p>The current streetcar line does not service either the Plaza, or the UMKC campus, two areas where it has been deemed that the streetcar system would prove particularly useful.</p> <p>In 2017, the Kansas City Main Street Rail Transportation Development District ("Expanded TDD") was established. The Expanded TDD will replace the Downtown TDD as the source of tax revenues to fund expansion of the streetcar system.</p> <p>This ordinance estimates and appropriates \$9.1 million of special obligation bond proceeds in advance of an expected Spring 2020 issuance for the purpose of funding certain predevelopment costs for the expansion of the City's streetcar system. Sales tax and special assessment revenues from the Downtown TDD will be the primary source of repayment for the bonds.</p> <p>The ordinance also authorizes the execution of certain agreements related to the expansion of the streetcar system including a transition agreement as the City moves from the Downtown TDD to the Expanded TDD and a new three party cooperative agreement between the City, the Streetcar Authority, and the Expanded TDD which outlines the roles and responsibilities of all parties and the flow of funds for construction and future operation of the expanded system.</p> <p>Finally, the ordinance approves an overall plan of finance for the streetcar expansion which includes future borrowing for construction. It is expected that approval of this plan of finance will allow the City's application for federal funding to move forward as it will demonstrate the City's commitment to the project.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Applicants / Proponents</td> <td> Applicant City Department Finance Department Other </td> </tr> <tr> <td>Opponents</td> <td> Groups or Individuals None Known Basis of opposition </td> </tr> <tr> <td>Staff Recommendation</td> <td> <input checked="" type="checkbox"/> For <input type="checkbox"/> Against Reason Against </td> </tr> <tr> <td>Board or Commission Recommendation</td> <td> By <input type="checkbox"/> For <input type="checkbox"/> Against <input type="checkbox"/> No action taken <input type="checkbox"/> For, with revisions or conditions (see details column for conditions) </td> </tr> <tr> <td>Council Committee Actions</td> <td> <input type="checkbox"/> Do pass <input type="checkbox"/> Do pass (as amended) <input type="checkbox"/> Committee Sub. <input type="checkbox"/> Without Recommendation <input type="checkbox"/> Hold </td> </tr> </table>	Applicants / Proponents	Applicant City Department Finance Department Other	Opponents	Groups or Individuals None Known Basis of opposition	Staff Recommendation	<input checked="" type="checkbox"/> For <input type="checkbox"/> Against Reason Against	Board or Commission Recommendation	By <input type="checkbox"/> For <input type="checkbox"/> Against <input type="checkbox"/> No action taken <input type="checkbox"/> For, with revisions or conditions (see details column for conditions)	Council Committee Actions	<input type="checkbox"/> Do pass <input type="checkbox"/> Do pass (as amended) <input type="checkbox"/> Committee Sub. <input type="checkbox"/> Without Recommendation <input type="checkbox"/> Hold
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Details

Is it good for the children?

The expansion of the streetcar system will provide for additional public transportation options.

How will this contribute to a sustainable Kansas City?

Additional public transportation should provide for a reduction in the number of automobile trips resulting in lower emissions.

Policy/Program Impact

Policy or Program Change	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
Operational Impact Assessment	

Finances

Cost & Revenue Projections -- Including Indirect Costs	
Financial Impact	
Fund Source (s) and Appropriation Account Codes	Debt service will be supported by Transportation Development District taxes with possible support from general municipal revenues.

(Use this space for further discussion, if necessary)

Applicable Dates:

Fact Sheet Prepared by:

Name: Michael Buckman Date 6/19/2019
Title: Analyst

Reviewed by:

Name: Tammy Queen Date 6/20/2019
Title: Deputy Director of Finance

Reference Numbers