



# City of Kansas City, Missouri

## Docket Memo

Ordinance/Resolution #: 260192

Submitted Department/Preparer: Finance

Revised 01/30/25

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

Authorizing the City Manager to enter into a Tax Redirection Agreement with HS KC PLAZA, LLC for the purpose of supporting the renovation of the Seville Plaza Hotel.

### Discussion

HS KC PLAZA, LLC (the “Developer”) has proposed improvements to the existing Seville Plaza Hotel which will include, but is not limited to, new furniture, fixtures, and equipment, new fire panel, window replacement, elevator upgrades, technology upgrades, and new linen and signage, (the “Seville Plaza Hotel Improvement Project” or “Project”). The Project is located on a 0.833-acre site on the east side of Main Street between East 43rd Street and East 44th Street in Kansas City, Missouri (the “Project Area”) adjacent to the Country Club Plaza, which is a targeted investment area. The Developer intends to complete the Seville Plaza Hotel Improvement Project in one phase, which includes rebranding the Seville Plaza Hotel, scheduled to be completed Spring 2026 in time for the hotel rooms to be used during the FIFA World Cup.

The Developer provides benefits to the community by offering discounted room rates to nearby schools and hospitals, maintaining commission partnerships with local entities such as the National WWI Museum and Memorial, and creating a hospitality internship program for students. The Developer anticipates the Project creating seven (7) new jobs. In order to assist with the completion of and the funding of the Project Costs defined in the Agreement, the Developer and the City believe that utilizing a portion of the City’s tax revenues generated within the Project Area will advance multiple primarily public purposes including, but not limited to (i) increasing employment, (ii) increasing the tax base for all affected taxing jurisdictions, (iii) stabilizing development in an essential target area, and (iv) furthering the City’s policy of encouraging economic stability and growth.

The impacts of the COVID-19 global pandemic and the construction of the streetcar have caused substantial decreases in the revenues of the Project Area. The City therefore desires to encourage the Project for the purpose of realizing these public

benefits by entering into an agreement to contribute certain revenues from City taxes generated by the Project in an amount needed to cause the Project to be undertaken

## Fiscal Impact

1. Is this legislation included in the adopted budget?  Yes  No
2. What is the funding source?  
2360 120000 451301 – Redirection – Hotel/ Motel Tax - Convention and Tourism
3. How does the legislation affect the current fiscal year?  
This ordinance does not have a fiscal impact in FY 26. If approved, tax redirection would begin in FY 27.
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.  
This ordinance authorizes a redirection agreement not to exceed \$800,000 over 15 years. FY 27 redirections are estimated to be \$27,700.
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?  
The redirection agreement is limited to convention and tourism taxes on hotel room charges. Any other new taxes generated such as earnings, sales and utility taxes will be retained by the City.

### 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?  
Inclusive Growth and Development (Press tab after selecting.)

3. Which objectives are impacted by this legislation (select all that apply):

- Develop strategies focusing on areas traditionally underserved by economic development and redevelopment efforts.
- Ensure quality, lasting development throughout the City; and continuing to grow the economy and the population of Kansas City in all areas.
- Increase and support local workforce development and small and locally owned businesses.
- Create a more efficient, solutions-oriented environment, making it easier to operate within the City.
- Implement an economic development and tourism strategy to attract major investment and visitors.
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## Prior Legislation

N/A

## Service Level Impacts

Click or tap here to provide a description of how this ordinance will impact service levels. List any related key performance indicators and impact.

## Staff Recommendation

Finance

Select One:  Sponsored  
 Directive: Res/Ord # [Click to enter Res/Ord. No.](#)

Select One:  Recommend  
 Do Not Recommend  
 Not Applicable

Click or tap here to provide reasoning.

## Other Impacts

1. What will be the potential health impacts to any affected groups?  
Click or tap here to enter text.

2. How have those groups been engaged and involved in the development of this ordinance?

Click or tap here to enter text.

3. How does this legislation contribute to a sustainable Kansas City?

Click or tap here to enter text.

4. Does this legislation create or preserve new housing units?

Please Select (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.

Please Select (Press tab after selecting)

Click or tap here to enter text.

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

No(Press tab after selecting)

Click or tap here to enter text.

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

No(Press tab after selecting)