

COMPARED VERSION
COMMITTEE SUBSTITUTE TO ORIGINAL ORDINANCE

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 260582

Accepting the recommendations of the Central City Economic Development Tax Board; approving funding for the 1815 Paseo Project in the amount of \$1,500,000.00; reducing an existing appropriation by ~~\$6,5838,083~~,180.00 and appropriating ~~\$6,5838,083~~,180.00 from the Unappropriated Fund Balance in the Central City Economic Development; authorizing the Manager of Procurement Services to execute various funding agreements in accordance with this Ordinance; and authorizing the Director of the Housing and Community Development Department to expend up to ~~\$6,5838,083~~,180.00 from the funds appropriated in the Central City Economic Development Fund.

WHEREAS, Section 67.1305 of the Revised Statutes of Missouri authorized 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; and

WHEREAS, 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; and

WHEREAS, the projects serve a predominantly public municipal purpose because, without limitation, completion of the project (i) enhance the tax base of the Project Site; (ii) retain and generate jobs; (iii) promote 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 and other activities in the City that would not otherwise occur; (v) serve 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) further the City's policy of encouraging economic stability and growth; and

WHEREAS, the City desires to encourage the developers to carry out the projects for the purpose of realizing these predominantly public purposes by entering into agreements to contribute certain revenues in an amount needed to cause the projects to be undertaken and attract the necessary private investment; and

WHEREAS, the contributions contemplated by funding agreements are limited to those which have been determined to be needed for the purpose of ensuring that the projects proceed, and but for their contribution, the projects would not proceed, to the detriment of the public interest; ~~NOW, THEREFORE,~~

WHEREAS, on May 28, 2026, the CCED Board approved nine projects totaling \$6,583,180 and recommended Council approval; and

WHEREAS, the City acquired the former Holy Ghost New Testament Church at 1815 Paseo that was placed on the National Register of Historic Places in 1991, placed on the Neighborhoods Department’s Dangerous Building list in 2021, and was later slated for demolition; and

WHEREAS, the City Council would like to also fund the City application for 1815 Paseo, the former Holy Ghost New Testament Church, in the amount of \$1,500,000 for the purpose of stabilizing and restoring the City-owned property, removing the property from the Dangerous Buildings List, and repurposing it for commercial and community uses; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY

Section 1. That the recommendations of Central City Economic Development Tax Board that was issued May 28, 2026, are hereby accepted.

Section 2. That the City-owned project at 1815 Paseo be funded in the requested amount of \$1,500,000.

Section 3. That the sum of ~~\$6,5838,083~~,180.00 is hereby reduced in the following account of Fund 2200, the Central City Economic Development Sales Tax Fund:

27-2200-552047-B	Central City Sales Tax
<u>\$6,5838,083</u> ,180.00	

Section 34. That the sum of ~~\$6,5838,083~~,180.00 is hereby appropriated to the following accounts of Fund 2200, the Central City Economic Development Sales Tax Fund:

27-2200-555998-B-55BLUEHILLS	Blue Hills Town Homes	\$ 750,000.00
27-2200-555998-B-55LABOU	LaBou	432,800.00
27-2200-555998-B-55HIGHLANDPL	Apartments at Highland Place Renovation	300,000.00
27-2200-555998-B-55VINESTREET	1814-1816 Vine Street	750,000.00
27-2200-555998-B-55JUSTINAPTS	Justin Place Apartments	1,500,000.00
27-2200-555998-B-55SANTAFE	Santa Fe Minor Home Repair	700,000.00
27-2200-555998-B-55SINGLEFAM	Single Family Affordable Homeownership	300,000.00
27-2200-555998-B-55PARADE	Parade Park	1,250,000.00
27-2200-555998-B-55MONTGALL	Montgall Place	600,380.00
<u>27-2200-555998-B-551815PASEO</u>	<u>1815Paseo</u>	<u>1,500,000.00</u>
	TOTAL	

\$6,5838,083,180.00

Section 45. That all contracts funded with appropriations from the Central City Economic Development Fund in this ordinance are to include a requirement that projects must start within 12 months of contract execution, or else the funds must be returned to the City to be used in future Central City Economic Development Fund allocations.

Section 56. That the Manager of Procurement Services is authorized to execute funding agreements for the Projects set forth in Section 3 as negotiated by Director of the Housing and Community Development Department that complies, when applicable, with: the Missouri Prevailing Wage Law, the City's Contracting Program Requirements set out in Article IV, Chapter 3, Code of Ordinances, (including, but not limited to, the provisions concerning affirmative action, Minority and Women's Business Enterprises and the Small Local Business Enterprises program). Further, the funding agreements shall prohibit the use of any CCED sales tax funding for the repayment of any preexisting debt or repayment for services or work performed prior to the execution of the funding agreement and must require the disclosure of total funding sources and projected costs and periodic reporting of project progress.

The City has no financial obligation under both this Ordinance and Contract until the Manager of Procurement Services issues a purchase order which shall be signed by the City's Director of Finance certifying there is a balance, otherwise unencumbered, to the credit of the appropriation to which the expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment will be made, each sufficient to meet the obligated hereby incurred.

Brenton Siverly
Director of Finance

Approved as to form:

Joseph A. Guarino
Senior Associate City Attorney