

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 250402, AS AMENDED

Appropriating \$1,500,000.00 from the Unappropriated Fund Balance of the Housing Trust Fund for the purpose of providing funds for the Olive Street / Promise Place housing project consisting of 85 units; designating requisitioning authority; conditioning funding on the application and award of low-income housing tax credits (LIHTC) by December 31, 2025; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, the City 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, the prior ordinances proposed the use of General Obligation Question 1 bond proceeds to assist with infrastructure funding and, therefore estimated and appropriated bond proceeds for that purpose; however, the project is not in need of proceeds which would be restricted to infrastructure nor have any infrastructure needs been included in the City's Five Year Capital Improvement Plan for this project; and

WHEREAS, the Housing Trust Fund ("HTF") was established to provide financing for the preservation and production of affordable housing for very low-income to moderate-income households; and

WHEREAS, the Low-Income Housing Tax Credit (LIHTC) is a federal program administered by the Missouri Housing Development Commission that issues tax credits to enable developers to secure financing for the acquisition, rehabilitation, or new construction of affordable rental housing; and

WHEREAS, the City Council passed Committee Substitute for Ordinance No. 210695, which appropriated \$2,666,667.00 from the Unappropriated Fund Balance of the Housing Trust Fund to Account No. 2490-555996-B-55PROMPLACE; and

WHEREAS, the gap in funding for the Olive Street/Promise Place housing project persists and the City Council desires to contribute Housing Trust Fund dollars to fund up to \$1,500,000.00 of project costs so long as the developer has applied for tax abatement/incentives pursuant to the requirements of Committee Substitute for Ordinance No. 210696; and

WHEREAS, this ordinance provides for affordable housing and fulfills the goals of the City's adopted Housing Plan; and

WHEREAS, the developer will apply for LIHTC and the City contribution provided for herein shall not be made if the LIHTC award is not received by December 31, 2025; and

WHEREAS, requiring both the application for and award of low-income housing tax credits by December 31, 2025, provides the developer sufficient time to secure the 4% LIHTC while ensuring the City maintains prudent oversight of public funds; NOW, THEREFORE,

250402 sub as Amended

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY,

Section 1. That the sum of \$1,500,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Housing Trust Fund to the following account:

| | | |
|------------------------------|----------------------------|----------------|
| 26-2490-555996-B-55PROMPLACE | Promise Place-Olive Street | \$1,500,000.00 |
|------------------------------|----------------------------|----------------|

Section 2. If low-income housing tax credits are not awarded to the Olive Street/Promise Place project by December 31, 2025, the \$1,500,000.00 appropriated in Section 2 shall automatically revert back to the Kansas City Housing Trust Fund Balance.

Section 3. That the Director of Housing is designated as requisitioning authority for Account No. 26-2490-555996-B-55PROMPLACE.

Section 4. That the City Manager is hereby directed to negotiate and execute a funding agreement for Promise Place Housing utilizing funds appropriated herein and previously appropriated funds in Account No. 2490-555996-B-55PROMPLACE subject to the standard terms and conditions of Housing Trust Fund awards and the conditions set forth in this ordinance.

Section 5. That this ordinance relating to the appropriation of money and the expenses of government is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(B) and Section 503(a)(3)(C) of the City Charter and shall take effect in accordance with Section 503, City Charter.

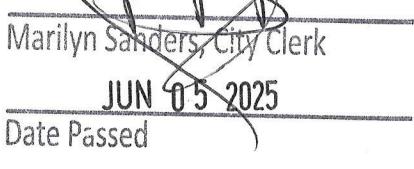
I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.



Tammy L. Queen
Director of Finance



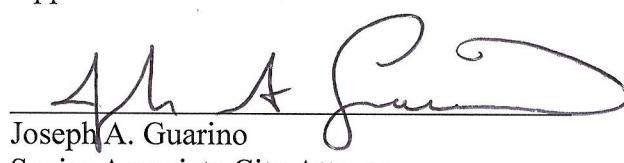
Authenticated as Passed


Quinton Lucas, Mayor
Marilyn Sanders, City Clerk

JUN 05 2025

Date Passed

Approved as to form:


Joseph A. Guarino
Senior Associate City Attorney