



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 260379

Submitted Department/Preparer: City Manager's Office

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

Reducing a revenue estimate and appropriation in the amount of \$4,166,667.00 within the General Obligation Series 2022A Question 1 Fund originally established for the Promise Place housing project; estimating and appropriating surplus TIF revenue in the amount of \$1,100,000.00 from the anticipated termination of the Blue Ridge Mall TIF Plan and providing for an additional appropriation from the Shared Success Fund for the Promise Place housing project, restating the City Manager's authorization to execute an agreement with the Promise Place, LLC for utilization of funds appropriated herein; modifying the timeline for substantial completion of the project; and recognizing this ordinance as having an accelerated effective date.

Discussion

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.

Council estimated and appropriated \$2,666,667.00 of 2022A Question 1 General Obligation bond proceeds for the Olive Street Housing project with the passage of Committee Substitute for Ordinance 210695 but the bonds were never issued.

Council estimated and appropriated \$1,500,000.00 of 2022A Question 1 General Obligation bond proceeds for the Forest Street Housing project with the passage of Committee Substitute for Ordinance No. 210696 but the bonds were never issued.

Ordinance No. 210695 authorized the City Manager to negotiate and execute a \$2,666,667.00 development agreement for the purpose of constructing a 101-unit affordable housing development located at 4423 Olive Street; and WHEREAS, Council passed Ordinance No. 220430 on May 26, 2022, that authorized the Director of Housing and Community Development to negotiate and execute a

CCED Funding Agreement with Promise Place, LLC in the amount of \$3,600,000.00 for the same development at 4423 Olive Street.

Council passed Ordinance No. 240504 on July 18, 2024, that awarded the Promise Place project \$250,000 in Community Development Block Grant (CDBG) dollars and \$250,000 in federal HOME dollars.

Code § 74 - 12 provides that Council may modify the construction timeline for projects.

Council passed ordinance 250289 on April 17, 2025, which modified the construction timeline for the Promise Place project as to require substantial completion by December 31, 2027.

Council passed Committee Substitute for Ordinance 250402, As Amended, on June 5, 2025, which appropriated \$1,500,000.00 from the Housing Trust Fund for the Promise Place project, conditioned on the project receiving an award of 4% Low-Income Housing Tax Credits (LIHTC) from the Missouri Housing Development Commission no later than December 31, 2025.

Committee Substitute for Ordinance 250402, As Amended, directed the City Manager to negotiate and execute a funding agreement for Promise Place Housing utilizing funds appropriated therein.

Council passed Ordinance No. 041238 on February 24, 2005, which accepted the recommendations of the Tax Increment Financing Commission and adopted the Blue Ridge Mall Tax Increment Financing Plan.

The City anticipates the Blue Ridge Mall TIF Plan to be terminated and the City anticipates receiving in excess of \$1,100,000.00 of surplus revenues following the termination of the Blue Ridge Mall TIF Plan.

The City Council desires to utilize a combination of the Blue Ridge Mall surplus TIF revenue and \$800,000 of Shared Success revenues in-lieu of 2022A Question 1 bond proceeds to support the Promise Place project due to a lack of eligible project expenses conforming to the requirements for Question 1 general obligation bonds.

The Shared Success Fund is projected to have a balance of approximately \$1,200,000 at the end of fiscal year 2026-27.

Fiscal Impact

1. Is this legislation included in the adopted budget?

☐ Yes ☒ No

2. What is the funding source?
General Fund (1000) and Shared Success Fund (2590)
3. How does the legislation affect the current fiscal year?
This legislation estimates and appropriates \$1.1 million in surplus TIF revenue from the General Fund and reduces the available balance in the Shared Success Fund (2590) by \$800,000.
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
This is a one time appropriation.
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)

This legislation does not draw down the fund balance of the General Fund as the surplus STIF revenue from the Blue Ridge Mall offsets the appropriation. The Shared Success Fund will be drawn down \$800,000 and have a remaining balance of \$413,246 based on the Adopted FY27 Budget.

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, affordable housing, and improve resident wellbeing and cultural diversity.
- ☒ Maintain and increase 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.
- ☐ Promote healthy residents by ensuring basic sanitation and living needs are met.
- ☐ 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 Nos. 210695, 210696, 220430, 240504, 250289, 250402, 041238

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

Click or tap here to enter department.

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?

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?

N/A

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

Yes (Press tab after selecting)

Total Number of Units [Click or tap here to enter text.](#)

Number of Affordable Units [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)

Please provide reasoning why not:

[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)