

250342 sub

negotiate and execute any necessary lease amendment with Midtown Grocers to provide rent relief from previously appropriated funds not to exceed \$161,500.00, reduce rent and adjust contributions to common area maintenance, amend the term, and accomplish the goals set forth in this ordinance.

Section C. That the City Attorney is hereby authorized to pay up to the sum of \$450,000.00 in partial settlement of claims existing between parties, without admission of any liability, from account numbers 25-2590-101466-B and 25-1000-101466-B.

Section D. That the appropriation in the following account of the General Fund is hereby reduced by the following amount:

25-1000-179990-A	Contingent Appropriation	\$1,000.00
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Section E. That the sum of \$1,000.00 is hereby appropriated from the Unappropriated Fund Balance of the General Fund in the following account of the General Fund:

25-1000-101466-B	Linwood Shopping Center Operation and Security	\$1,000.00
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Section F. That this Ordinance is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(C) of the City Charter in that it appropriates money and shall take effect in accordance with that section.

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

Approved as to form:



Authenticated as Passed

Quinton Eugene, Mayor

Marilyn Sanders, City Clerk

APR 24 2025
Date Passed

Abigail Judah
Assistant City Attorney

COMMITTEE SUBSTITUTE TO ORDINANCE NO. 250342

Amending Committee Substitute for Ordinance No. 240980 by repealing and replacing Section 1 for the purpose of redefining certain contract requirements between the City and the Linwood Shopping Center Community Improvement District; repealing and replacing Section 2, authorizing the City Manager to negotiate and execute a lease amendment between the City and Midtown Grocers, LLC; authorizing the City Attorney to settle claims existing between the parties; reducing the contingent appropriation in the amount of \$1,000.00; appropriating the same; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, City Council adopted Committee Substitute for Ordinance No. 240980 on November 7, 2024, for the purpose of appropriating funds to be used for Linwood Shopping Center Operation and Security; and

WHEREAS, Committee Substitute for Ordinance No. 240980, authorized the City Manager to negotiate and execute an amendment to the Cooperative Agreement with the Linwood Shopping Center Community Improvement District ("Linwood CID") to provide funding to the Linwood CID subject to restrictions stated therein; and

WHEREAS, City wishes to amend such requirements to expedite the funding of the goals set forth in Committee Substitute for Ordinance No. 240980; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section A. That Committee Substitute for Ordinance No. 240980 is amended by repealing Section 1 and enacting a new Section 1 in lieu thereof to read as follows:

Section 1. That the City Manager or her designee is hereby authorized to negotiate and execute an amendment to the Cooperative Agreement with Linwood Shopping Center Community Improvement District ("Linwood CID") to provide the Linwood CID with the funds appropriated by this Ordinance to accomplish the goals set forth in this Ordinance which include:

- a. Funds provided by the City shall be allocated to the grocery store located at 3110 Prospect Avenue (the "Grocery Store") to support the Grocery Store in accordance with the schedule and requirements outlined herein, and the use-of-funds specifications listed in subsection (b).
- b. The CID shall ensure that other funds provided by the City are used for infrastructure and security expenses of the Grocery Store to support personnel, equipment purchases, and upgrades, in accordance with Committee Substitute for Ordinance No. 240828, the City's "Back to Business program."

- c. Funds shall be provided to the Grocery Store over a period not to exceed twelve (12) months from the date of any agreement between the CID and the Grocery Store. No more than half of the funding appropriated shall be disbursed within six (6) months of the date of any such agreement. The remainder of funds shall be distributed after, but only after, a presentation by Midtown Grocers, LLC to the City where Midtown Grocers shall provide to the City:
 - (i) Monthly budgets and revenues for each month beginning on the effective date of this Ordinance; and
 - (ii) Evaluation of the footprint of the Grocery Store to determine if the size of the store needs to be reduced, thereby reducing operating costs, improving efficiency, and creating new opportunities for income-generating activities; and
 - (iii) A 36-month business plan and revenue projection for the Grocery Store; or
 - (iv) Evaluation of a plan to sell the Grocery Store to a new owner and/or operator, including the specific proposal and timeline of the potential sale or transfer.
- d. If Midtown Grocers does not present to City the items described in subsection (c) within six (6) months of the first disbursement of money from the CID, all moneys not yet provided to the Grocery Store shall be transferred to the City's Back to Business Grant Program, Account 25-2000-571042-B.
- e. The CID shall obtain periodic profit and loss statements from the Grocery Store and transmit same to the City.
- f. To the extent allowed by law, the CID is authorized to assign funds appropriated under this Ordinance to Midtown Grocers, LLC or its sole owner Community Builders of Kansas City, a Missouri nonprofit corporation, to further the goals set forth in this Ordinance.
- g. The parties shall work in good faith and in collaboration with the Economic Development Corporation of Kansas City to advance the purpose of this Ordinance.

Section B. That Committee Substitute for Ordinance No. 240980 is amended by repealing Section 2 and enacting a new Section 2 in lieu thereof to read as follows:

Section 2. The Council declares that the ongoing occupancy and maintenance of the Grocery Store on City-owned property is a matter of public policy. Accordingly, the City Manager or her designee is hereby authorized to