

# City of Kansas City, Missouri

# **Docket Memo**

Ordinance/Resolution #: Click 241004 Submitted Department/Preparer: Revised 6/10/24

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 execute a pre-development agreement with the 816 Consortium for the development of a solar photovoltaic project on Kansas City International Airport property, and establishing terms and conditions for the project development.

#### Discussion

#### **Summary of the project and contract:**

- Renewable Energy Production: The project will install a solar array generating up to 500 MW of zero carbon solar electricity supporting the City's carbon reduction and sustainability goals.
- **Economic Impact:** Expected to create numerous construction jobs during development although the exact number is unknown at this time.
- Workforce Development: Apprenticeships will be a part of the project to allow people to develop career building skills. This is not just related to installation of solar panels but also earth moving, construction, utilities, and other operations. Some of this part of the conversation still needs to occur with labor leaders.
- Ownership structure: The 816 Consortium will lease airport property from the City to build and operate the array for an initial 30-year term (with potential renewals). 816 Consortium will fund the project and maintain it throughout this period.
- **Community Engagement:** 816 Consortium will work with the City to co-brand public-facing communication and promote the project's environmental and economic benefits to the community.
- **MWBE:** this project is required to follow all of our standard workforce and MWBE requirements with no exceptions.

- **Timeline:** The timeline includes completing a 10% design package within 12 months, applying for interconnection with the Southwest Power Pool, and beginning construction within 12 months after final approvals are received. This puts the construction start time likely at the end of 2026 or early 2027. There are a lot of unknowns before design is complete and the approval process with the southwest power pool can take months or sometimes years.
- **Demonstration project:** 816 consortium will make sure to have some sort of demonstration project and something visible from airplane travelers before the World Cup by May 1, 2026.
- Cost structure: 816 Consortium is responsible for financing the project, including the
  design, construction, and maintenance of the solar array on Kansas City International
  Airport property. The City's role includes facilitating the tax abatement and sales tax
  exemptions on construction materials, as well as collaborating with 816 Consortium on
  applications for additional financial assistance, but it does not include direct financial
  contributions. So, while the City is supporting the project through incentives and
  logistical assistance, it does not bear any direct financial responsibility for project costs.
- **Energy rates:** it is hard to lock in energy rates right now for the next 30 years of the contract and we did not commit to language to this effect yet, but the rate conversation will continue as the 816 consortium gets bids and has a better understanding of costs.
- **Incentives:** The project will potentially seek incentives that will likely include a sales tax exemption on construction materials and a tax abatement, to be deliberated and approved separately (nothing we can approve here at least).

	Fiscal Impact		
1.	Is this legislation included in the adopted budget?	□ Yes	□ No
2.	What is the funding source? Click or tap here to provide fund name(s) and the full account string.		
3.	How does the legislation affect the current fiscal year? Click or tap here to enter text.		
4.	Does the legislation have a fiscal impact in future fiscal years? Please r	notate the	

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?

difference between one-time and recurring costs.

Click or tap here to enter text.

Click or tap here to enter text.

#### 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? (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
housing, and improve resident wellbeing and cultural diversity.
Maintain and increase affordable 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.
Foster an inclusive environment and regional approach to spur innovative solutions to housing challenges.
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 NO. 230707

https://kansascity.legistar.com/LegislationDetail.aspx?ID=6319438&GUID=EFA23505-9537-46D0-AA64-98C4CF0DAB36&Options=ID%7CText%7C&Search=230707

## **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.

### **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? (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.

(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?

(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)?

(Press tab after selecting)