COMPARED VERSION COMMITTEE SUBSTITUTE TO ORIGINAL ORDINANCE

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 150357

Authorizing the City Manager to execute a Memorandum of Understanding with Burke Swerdling & Associates, LLC, for the purposes of advancing the development <u>of</u> a new downtown convention center headquarters hotel; authorizing the City Manager to execute such further agreements as may be necessary for the purposes of developing, financing, constructing and operating the convention hotel in the manner contemplated by the Memorandum of Understanding; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, since the expansion of Bartle Hall in 1994 and the addition of the ballroom in 1997, the redevelopment of the Power & Light District, the construction of the Sprint Center, the opening of the Kauffman Center for the Performing Arts, the construction of an expandable modern streetcar system, and various other improvements downtown, Kansas City has positioned itself as a destination city for convention and tourism business; and

WHEREAS, the City Council has long recognized that the success of these investments is ultimately dependent, in large part, on the availability of first class hotel accommodations in close proximity to downtown's amenities; and

WHEREAS, in Committee Substitute for Resolution No. 941748, As Further Amended, the City Council established its policy of utilizing tax increment financing and Super TIF supplemental pledges as a means of incentivizing the construction of new convention center hotel accommodations; and

WHEREAS, in Ordinance No. 070467, As Amended, the City Council again reiterated that a downtown convention center headquarters hotel was critical to the downtown renaissance and determined that planning efforts should immediately begin; and

WHEREAS, in Committee Substitute for Resolution No. 080273, the City Council recognized that while a large number of available hotel rooms was important, the availability of at least one large hotel immediately adjacent to or near Bartle Hall was equally important, and directed the City Manager to retain a consultant and establish a process for selecting the most appropriate site and development team; and

WHEREAS, in Second Committee Substitute for Ordinance No. 090444, the City Council appointed a steering committee to oversee, advise and report to the Mayor and City Council on a potential downtown convention center headquarters hotel; and

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WHEREAS, in Resolution No. 100113 the City Council reiterated in intention to continue planning for a downtown convention center headquarters hotel and pursue any federal or state assistance that might be available; and

WHEREAS, the steering committee initially recommended that the hotel be developed on the Power & Light Building site, but that proposal failed to garner sufficient interest by potential developers and was determined to be cost prohibitive; and

WHEREAS, the City has nevertheless remained engaged in efforts to identify and deliver a viable project; and

WHEREAS, in Resolution No. 130025, the City Council adopted its strategic plan of priorities and performance indicators, one of which was to make the City a destination for personal and business visitors by maximizing the usage of the City's convention assets; and

WHEREAS, in Committee Substitute for Ordinance No. 140859, the City Council adopted the 2015-2016 Citywide Business Plan which again identified as a goal the desire to enhance the City as a destination for leisure and business visitors; and

WHEREAS, the downtown convention center headquarters hotel to be developed would be an approximately 800-room building to be constructed on the north side of Sixteenth Street and south of the downtown loop between Baltimore Avenue and Wyandotte Street; and

WHEREAS, the Memorandum of Understanding provided for herein would establish the framework for developing, financing, constructing and operating the downtown convention center headquarters hotel, subject to the negotiation and execution of the appropriate agreements and appropriation of funds in connection therewith; and

WHEREAS, the downtown convention center headquarters hotel contemplated by the Memorandum of Understanding would fulfill the City Council's longstanding objectives as recited herein, while mitigating the cost and risk to the City, and is therefore in the public interest; and

WHEREAS, the Memorandum of Understanding provided for herein imposes certain obligations with respect to the maintenance of and future improvements to the Bartle Hall Convention Center; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is hereby authorized to execute a Memorandum of Understanding, which document shall in a form substantially consistent to that attached hereto and incorporated herein.

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Section 2. That the City Manager is hereby authorized to execute, without further City Council approval, any and all agreements which he may determine to be necessary for the purposes of developing, financing, constructing and operating the convention hotel in the manner contemplated by the Memorandum of Understanding. Notwithstanding the foregoing, no agreement requiring an appropriation of funds shall be binding until such time as the City Council shall have acted to appropriate funds for such purposes.

Section 3. That this ordinance, relating to the design, repair, maintenance or construction of a public improvement, is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(D) of the City Charter and shall take effect in accordance with Section 503, City Charter.

Approved as to form and legality:

Brian T. Rabineau Assistant City Attorney