

City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 230973 Submitted Department/Preparer: City Manager's Office Revised 11/01/23

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in <u>Administrative Regulation (AR) 4-1</u>.

Executive Summary

Sponsor: Mayor Quinton Lucas and Councilmembers Andrea Bough and Johnathan Duncan Repealing Committee Substitute for Ordinance No. 230468 that authorized the City Manager to enter into a Tax Redirection Agreement with Red Bridge Properties, Inc., and enacting a new ordinance that authorizes the City Manager to enter into a Tax Redirection Agreement with Red Bridge Properties, Inc., for the purpose of increasing access to grocery services and incentivizing job creation and investment in Kansas City; and waiving certain requirement of City Code Chapter 3.

Discussion

The Tax Redirection Agreement with Red Bridge Properties, Inc. would establish a 100% tax redirection to sales tax for ten (10) years capped at a contribution of \$1,375,000.00. The Project will be providing grocery services in the Red Bridge Shopping Center operating as the Red Bridge Farm Fresh Market. This will allow for the continuation of grocery services to the area after a previous provider discontinued services. The reimbursable expenses related to this redirection include the acquisition of equipment to support grocery services. Waiver of City Code Chapter 3 requirements are being proposed to enable continued grocery services in the area. The Project anticipates entering into a 15 year lease. Financial obligations under this agreement will be subject to annual appropriation by the City Council from a portion of the sales taxes generated by the project.

Fiscal Impact

- 1. Is this legislation included in the adopted budget? \Box Yes \boxtimes No
- 2. What is the funding source?

The sources of City Funds is a 10-year redirection agreement of economic activity taxes not to exceed \$1,375,000.00 or an average of \$137,500.00 per year for the duration of the 10-year agreement.

- 3. How does the legislation affect the current fiscal year? It does not.
- 4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs. The City will contribute a portion of future sales tax generated by the project over ten (10) years up to \$1.375 million but only to the extent such revenue is actually generated.
- Does the legislation generate revenue, leverage outside funding, or deliver a return on investment? The project is expected to generate economic activity tax revenue long term.

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 <u>FY23 Citywide Business Plan</u>
- 2. Which CWBP goal is most impacted by this legislation? Infrastructure and Accessibility (Press tab after selecting.)
- 3. Which objectives are impacted by this legislation (select all that apply):
 - □ Engage in thoughtful planning and redesign of existing road networks to ensure safety, access, and mobility of users of all ages and abilities.
 - □ Enhance the City's connectivity, resiliency, and equity through a betterconnected multi-modal transportation system for all users.
 - □ Build on existing strengths while developing a comprehensive transportation plan for the future.

- Develop environmentally sustainable infrastructure strategies that improve quality of life and foster economic growth.
- □ Ensure adequate resources are provided for continued maintenance of existing infrastructure.
- \Box Focus on delivery of safe connections to schools.

Prior Legislation

Ordinance #230468

Service Level Impacts

N/A

Other Impacts

- 1. What will be the potential health impacts to any affected groups? None, this will reinstate a grocery offering with equal or improved services.
- 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? Supports accessible grocery services for residents in neighboring areas.
- 4. Does this legislation create or preserve new housing units? No (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.

Yes - I have submitted documents for CREO Review (Press tab after selecting) Please attach or copy and paste CREO's review. 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)

 Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)? No(Press tab after selecting)