



Agenda - Final

Finance, Governance and Public Safety Committee

Chairperson Andrea Bough

Vice Chair Quinton Lucas

Councilmember Crispin Rea

Councilmember Darrell Curls

Councilmember Wes Rogers

Wednesday, August 16, 2023

10:30 AM

26th Floor, Council Chamber

PUBLIC OBSERVANCE OF MEETINGS

Members of the City Council may attend this meeting via videoconference.

Any closed session may be held via teleconference.

The public can observe this meeting at the links provided below.

Applicants and citizens wishing to participate have the option of attending each meeting or they may do so through the videoconference platform ZOOM, using this link:

<https://us02web.zoom.us/j/84530222968>

Public Testimony is Limited to 2 Minutes

Director of Parks & Recreation

230324

Sponsor: Director of the Parks and Recreation Department

Calling for submission to the voters of Kansas City, at a special election to be held on August 8 or November 7, 2023, a question to remove certain city property devoted to park use in the park system generally located between N. Oak Trafficway to the west, N. Holmes to the east and north of N.E. 32nd Terrace; directing the City Clerk to notify the responsible election authorities of the election on or before May 30, 2023, for the August election or on or before August 29, 2023 for the November election; and recognizing this ordinance with an accelerated effective date.

Attachments: [Park Property Location Map N.Oak to N. Holmes @NE 32nd Ter](#)
[December Park Board Resolution #32061](#)
[TMP 2993 Docket Memo](#)

City Manager's Office

230657

Sponsor: City Manager

Authorizing the City Manager to execute a real estate sale contract with Grayson Communities, LLC for the sale of surplus property located at 1531 Holmes Street; and to negotiate and execute an equity participation agreement for future payments related to 1531 Holmes Street.

Attachments: [1531 Holmes - Sale Contract 8.2.23 clean](#)
[Docket Memo 1531 Holmes Sales Contract](#)

Director of Finance

230660

Sponsor: Director of Finance Department

Authorizing the Director of Finance to accept a proposal of Banc of America Public Capital Corp (“BAPCC”) to finance the acquisition of passenger vehicles (“Project”); authorizing the execution of any and all documents and agreements necessary for the Project; estimating revenue and appropriating \$2,252,250.00 in Fund 3230, the Equipment Lease Capital Acquisition Fund; designating requisitioning authorities; authorizing the Director of Finance to close project accounts upon completion; approving lease counsel in connection with the transaction; and declaring the intent of the City to reimburse itself from the lease purchase proceeds for certain expenditures.

Attachments: [ACCOUNTING FORMS for FY 24 Fleet PDF](#)
[Docket Memo 2023 Fleet edit 08032023](#)

230666

Sponsor: Director of Parks and Recreation Department

Appropriating \$1,150,000.00 from the Unappropriated Fund Balance of the Golf Operations Fund to pay for the repair of the Minor Park Golf Course parking lot and the renovation of the Shoal Creek Golf Course bunkers; and recognizing this ordinance as having an accelerated effective date.

Attachments: [Ordinance - Golf Course Renovation Final](#)
[Approp-Admin Golf Course Renovation](#)
[230666 Docket Memo](#)

230667

Sponsor: Director of Parks and Recreation Department

Appropriating \$1,000,000.00 from the Unappropriated Fund Balance of the Parks Sales Tax

Fund to update fitness equipment in all community centers as needed.

Attachments: [230667 Appropriation Accounting](#)
[Approp-Admin Community Center Fitness Equipment](#)
[Docket Memo-Community Center Fitness Equipment](#)

HELD IN COMMITTEE

ADDITIONAL BUSINESS

1. Staff from the Finance Department will present unaudited, cash basis financial results for the fiscal year ended April 30, 2023 with comparative view to the FY2022-23 3rd Quarter Budget analysis.
2. There may be a general discussion regarding current Finance, Governance, and Public Safety issues
3. Those who wish to comment on proposed ordinances can provide testimony to

public.testimony@kcmo.org.

Comments received will be distributed to the committee and added to the public record by the clerk. The city provides several ways for residents to watch City Council meetings:

Live Stream on the city s website at www.kcmo.gov

- Live Stream on the city's YouTube channel at: <https://www.youtube.com/watch?v=3hOuBlg4fok>
- Watch Channel 2 on your cable system.
- The channel is available through Time WarnerCable (channel 2 or 98.2), A T & T U-verse (channel 99, then select Kansas City), and Google Fiber on Channel 142.
- To watch archived meetings, visit the City Clerks website and look in the Video on Demand section:

http://kansascity.granicus.comNiewPublisher.php?view_id=2 Closed Session

- Pursuant to Section 610.021 subsection 1 of the Revised Statutes of Missouri to discuss legal matters, litigation, or privileged communications with attorneys;
- Pursuant to Section 610.021 subsection 2 of the Revised Statutes of Missouri to discuss real estate;
- Pursuant to Section 610.021 subsections 3 and 13 of the Revised Statutes of Missouri to discuss personnel matters;

- Pursuant to Section 610.021 subsection 9 of the Revised Statutes of Missouri to discuss employee labor negotiations;
- Pursuant to Section 610.021 subsection 11 of the Revised Statutes of Missouri to discuss specifications for competitive bidding;
- Pursuant to Section 610.021 subsection 12 of the Revised Statutes of Missouri to discuss sealed bids or proposals; or
- Pursuant to Section 610.021 subsection 17 of the Revised Statutes of Missouri to discuss confidential or privileged communications with the auditor

The City Clerk's Office now has equipment for the hearing impaired for every meeting. To check out the equipment, please take a look at each committee's secretary . Be prepared to leave your Driver's License or State issued Identification Card with the secretary, and she /He will give you the equipment. The City Clerk's Office will return your license upon returning the

Adjournment



File #: 230324

ORDINANCE NO. 230324

Sponsor: Director of the Parks and Recreation Department

Calling for submission to the voters of Kansas City, at a special election to be held on August 8 or November 7, 2023, a question to remove certain city property devoted to park use in the park system generally located between N. Oak Trafficway to the west, N. Holmes to the east and north of N.E. 32nd Terrace; directing the City Clerk to notify the responsible election authorities of the election on or before May 30, 2023, for the August election or on or before August 29, 2023 for the November election; and recognizing this ordinance with an accelerated effective date.

WHEREAS, certain vacant land containing approximately 5.399 acres was obtained by the City and dedicated for park purposes ("Land"); and

WHEREAS, certain property is undeveloped wooded land with steep terrain and which is divided by existing North Cherry Street, and borders existing levee to the south.

WHEREAS, the legal description for the land is as follows: Generally located between North Oak Trafficway to the west, North Holmes to the east and north of Northeast 32nd Terrace for park purposes and more specifically described as follows; A tract of land located in the Southeast Quarter of Section 11, Township 50 North, Range 33 West, in Kansas City, Clay County, Missouri, being more particularly described as follows: Sec 11-50-33 Se1/4 Braecklein's Subdivision pt Lts 6 & 15 beg 120' n of nw cor N Holmes & N.E. 32nd St, n 450, w 655, nw 632, s 100, se to pob; and

WHEREAS, pursuant to City Charter Section 1004(b), if any property is determined by the Board of Parks and Recreation Commissioners to be no longer necessary or appropriate for park, parkway, or boulevard use, such property may be removed from the park system by a vote of the people; and

WHEREAS, on December 13, 2022, the Board of Parks and Recreation Commissioners approved Resolution No. 32061 which allows the removal of certain property from the park system in since it was deemed no longer needed for park purposes; and

WHEREAS, such removal would allow the City to dispose of the property as surplus property pursuant to City Charter Section 1210 and any disposal will be made on an open and public competition; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. ELECTION CALLED. That an election is called on August 8 or November 7, 2023, for the purpose of submitting to the voters of Kansas City the question of removing property from the park system.

Section 2. BALLOT TITLE. The ballot title shall be:
Should the City of Kansas City remove from the park system vacant property containing approximately 5.399 acres serving as undeveloped parkland which is generally located between North Oak Trafficway to the west, North Holmes to the east and north of Northeast 32nd Terrace which has been determined by the Board of Parks and Recreation Commissioners to be no longer necessary or appropriate for park, parkway, or boulevard use?

Section 3. NOTICE OF ELECTION. The notice of election shall read as follows:

NOTICE OF ELECTION
KANSAS CITY, MISSOURI

Notice is hereby given that the City of Kansas City has called a special election to be held on Tuesday, August 8 or November 7, 2023, between the hours of 6:00 a.m. and 7:00 p.m., at which election all qualified voters residing within Kansas City, Missouri will be given the opportunity to vote.

The official ballot will be in substantially the following form:

OFFICIAL BALLOT
CITY OF KANSAS CITY

GENERAL ELECTION, August 8 or November 7, 2023

QUESTION NO. []
(Park Property)

Should the City of Kansas City remove from the park system vacant property containing approximately 5.399 acres serving as undeveloped parkland which is generally located between North Oak Trafficway to the west, North Holmes to the east and north of Northeast 32nd Terrace which has been determined by the Board of Parks and Recreation Commissioners to be no longer necessary or appropriate for park, parkway, or boulevard use?

YES _____
NO _____

(Instructions to voters will be supplied by the election authorities.)

A full and complete copy of Ordinance No. _____(as it may be amended) submitting the above question to the electorate is on file in the office of the City Clerk of Kansas City, Missouri where the same is open for inspection and copying.

The polling places for the election will be (INSERT LIST OF POLLING PLACES IN LAST PUBLICATION ONLY)

I hereby certify that the foregoing is the legal notice to be published pursuant to Section 115.127, RSMo, as amended.

Given under my hand and the official seal of the Kansas City, Missouri, this day of _____, 20__.

(SEAL)

MARILYN SANDERS
City Clerk of Kansas City, Missouri

Before me, a notary public, personally appeared Marilyn Sanders, to me known to be the City Clerk of Kansas City, Missouri, and the person who acknowledged to me that she executed the same for the purposes therein stated.

Notary Public

My Commission Expires: _____

Section 4. NOTICE TO ELECTION AUTHORITIES BY CITY CLERK. That following passage of this ordinance the City Clerk shall deliver certified copies of this ordinance and notice of election to the Clerk of Cass County, Board of Election Commissioners of Clay County, Board of Election Commissioners of Kansas City, and Board of Election Commissioners of Platte County, on or before May 30, 2023 for the August election or on or before August 29, 2023 for the November election which shall be the authority of each election authority of the City to submit the amendment to the electors of Kansas City and to give public notice as provided by law.

Section 5. ACCELERATED EFFECTIVE DATE RECOGNIZED. This ordinance, providing for the submission of a question to the people of Kansas City, Missouri, is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(A) of the City Charter, and shall take effect in accordance with Section 503.

Section 6. EFFECTIVE DATE. If a majority of the qualified voters voting at the election shall vote in favor of the approval of the question, then the authority of the Council to adopt an

ordinance implementing this grant of authority shall become effective immediately upon certification of the election results by the election authorities.

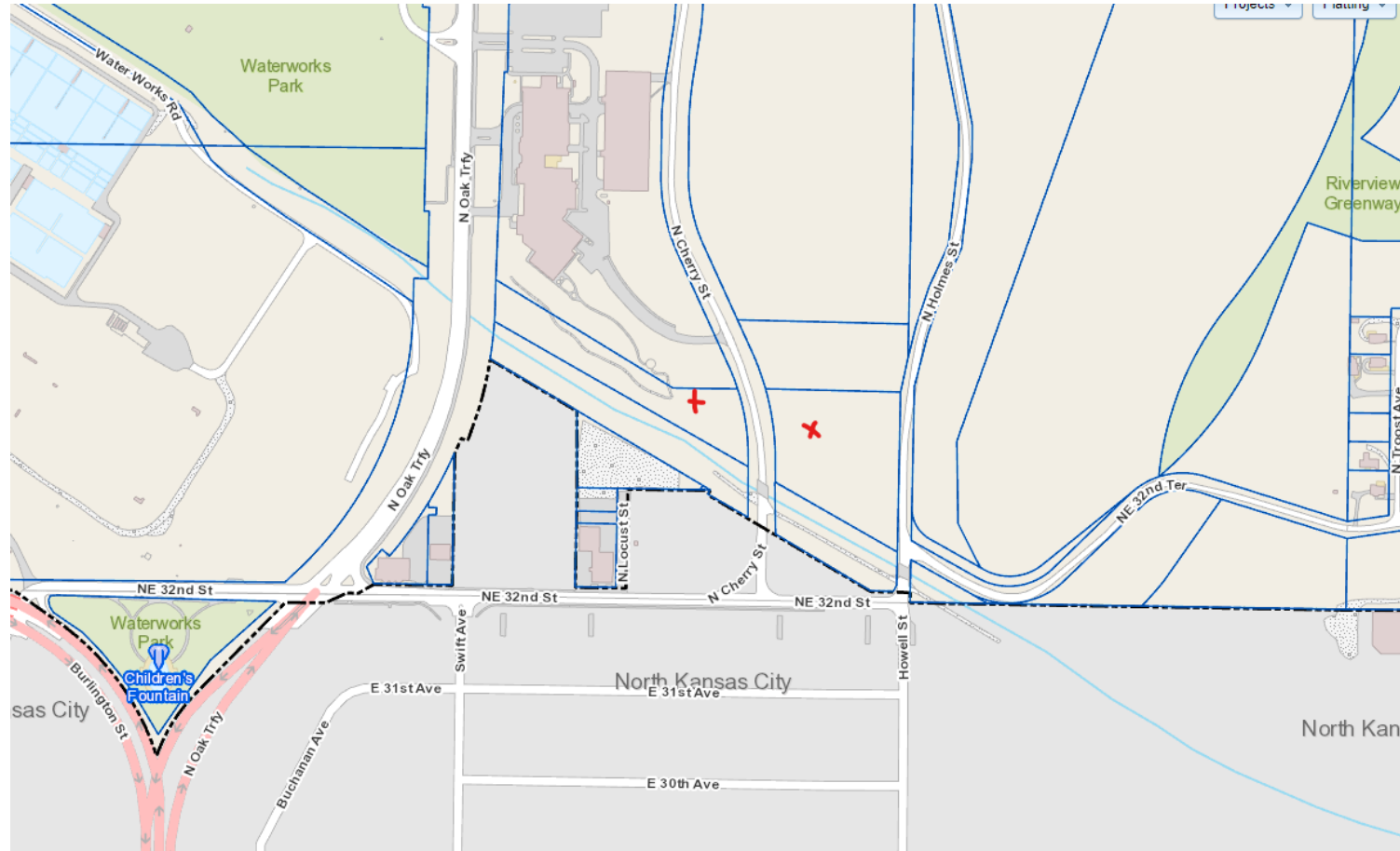
..end

Approved as to form:

Lana K. Torczon
Senior Associate City Attorney

Park Property Location Map

Area between N. Oak and N. Holmes at NE 32nd Ter.



Resolution #32061 - Removal of Park Property containing 5.399 acres of property generally located between N. Oak Trafficway and N. Holmes at 32nd Terrace

On a motion by Commissioner Wagner, duly seconded, the Board approved the Resolution for Removal of Park Property containing 5.399 acres of property generally located between N. Oak Trafficway and N. Holmes at 32nd Terr. devoted to park use and directing staff to furnish a copy of the Resolution to the City Council for an Ordinance calling for submission to the voters of Kansas City, at a special election to be held on a 2023 Ballot.

Background: Kansas City Parks and Recreation acquired an un-named parkland in 1957 when the Kansas City Annex land north of the Missouri River. The land is 5.399 acres and is located Between N. Oak Trafficway and N. Holmes at NE 32nd Ter. The park land is located north of City of North Kansas City Levee. No improvements have been made to property nor are there any plans for developing this park area.

The Board Resolution will ask for approval and recommend that the Council enact an election ordinance that would present to the voters of Kansas City on a 2023 Ballot, a question that whether 5.399 acres of property located generally located between N. Oak Trafficway. and N. Holmes at 32nd Street be removed from KC Parks System of the City of Kansas City Missouri and empowering the City to convey said real property.

RESOLUTION #32061

WHEREAS the Board of Parks and Recreation Commissioners is authorized and responsible by the provisions of the City Charter for providing lands and other resources for recreational opportunities and programs for all residents of the City of Kansas City, Missouri ("City"), and is required to approve and recommend that land be removed from the Parks system; and

WHEREAS certain land containing approximately 5.399 acres +/-, of vacant land was obtained by the City and dedicated for park purposes ("Land"); and

WHEREAS, the Land is located generally located The land is 5.399 acres and is located Between N. Oak Trafficway and N. Holmes at NE 32nd Ter. and was for park purpose; and

WHEREAS, a developer of adjacent land desires to purchase this Land because it is needed by their development for access off N. Oak, N. Cherry, and N. Holmes for grading of their site and pedestrian access. This park property is not currently used for any recreational purpose;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF PARKS AND RECREATION COMMISSIONERS:

1. That the Board does hereby approve and recommend that the Council enact an election ordinance, in substantial conformance to the copy attached and incorporated herein as Exhibit 1, that would present to the voters of Kansas City a question whether Land containing approximately 5.399 acres described as:

A tract of land located in the Southeast Quarter of Section 11, Township 50 North, Range 33 West, in Kansas City, Clay County, Missouri, being more particularly described as follows:



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #

Submitted Department/Preparer: Parks and Recreation

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

Request approval and recommend that the City Council enact an election ordinance that would present to the voters of Kansas City, Missouri on an August 8, 2023 or November 7, 2023 ballot, a question about whether 5.399 acres of park property generally located between N. Oak Trafficway and N. Holmes at 32nd Terrace be removed from the Parks System of the City of Kansas City, Missouri and empowering the City to convey said real property

Discussion

City Charter Section 1004(b) reads: "If any property is determined by the Board of Parks and Recreation Commissioners to be no longer necessary or appropriate for park, parkway, or boulevard use, such property may be removed from the park system by a vote of the people."

Kansas City Parks and Recreation acquired an unnamed parkland in 1957 when the Kansas City annexed land north of the Missouri River. No improvements have been made to the property, not are there any plans for developing this park area. The Board of Parks and Recreation Commissioners has identified this land as being appropriate to decommission.

This tract is located in the Southeast Quarter of Section 11, Township 50 North, Range 33 West, in Kansas City, Clay County, Missouri, being more particularly described as follows: SEC 11-50-33 SE1/4 BRAECKLEING'S SUBDIVISION PT LTS 6 & 15 BEG 120'N OF NW COR N HOLMES & NEW 32ND ST, N450, W655, NW632, S100,SE TO POB.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No
2. What is the funding source?
N/A
3. How does the legislation affect the current fiscal year?
N/A
4. Does the legislation have fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
N/A
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
N/A

City of Kansas City, Missouri

Docket Memo



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

Additional Discussion (if needed)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

View the [FY23 Citywide Business Plan](#)

Which CWBP goal is most impacted by this legislation?

Infrastructure and Accessibility

Which objectives are impacted by this legislation (select all that apply):

- Enhance the City's connectivity, resiliency, and equity through a safe, efficient, convenient, inclusive, accessible, sustainable and better connected multi-modal transportation system
- Develop environmentally sound and sustainable infrastructure strategies that improve quality of life and foster economic growth
- Increase and support local workforce development and minority, women, and locally-owned businesses
- Engage in efforts to strategically invest in the City's infrastructure and explore emerging technologies

Prior Legislation

On December 13, 2022 the Board of Parks and Recreation Commissioners approved the removal of certain property from the Park System via Park Board Resolution No. 32061

Service Level Impacts

This legislation will have no service level impact. The land is currently unimproved and is not programmed for recreational use.

City of Kansas City, Missouri

Docket Memo



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 – Voters will have opportunity to vote on this question of include on the ballot. City Planning and Development was engaged in meetings on the benefits of surplussing the land.
3. How does this legislation contribute to a sustainable Kansas City?
This legislation allows for a more economical development of unused land.
4. Does the ordinance/resolution include Civil Rights antidiscrimination requirements in compliance with the Code of Ordinances (Chapter 38, titled “Civil Rights”)?
N/A
5. Has the ordinance/resolution been submitted for review of economic equity & inclusion requirements in compliance with the Code of Ordinances (Chapter 3, titled “Contracts and Leases”)?
N/A



File #: 230657

ORDINANCE NO. 230657

Sponsor: City Manager

Authorizing the City Manager to execute a real estate sale contract with Grayson Communities, LLC for the sale of surplus property located at 1531 Holmes Street; and to negotiate and execute an equity participation agreement for future payments related to 1531 Holmes Street.

WHEREAS, the City of Kansas City, Missouri owns a parcel of property located at 1531 Holmes Street in Kansas City, Jackson County, Missouri (the "Property"); and

WHEREAS, the City Council adopted Ordinance No. 220254 on April 28, 2022, declaring this property surplus to the City's needs and authorizing the sale of the Property subject to reserved easements and other rights;

WHEREAS, the City Council adopted Ordinance No. 220964 on November 3, 2022, authorizing the City Manager or his designee to negotiate and execute a development agreement and purchase option agreement with Grayson Capital, LLC ("Grayson Capital") or its affiliates for the Property;

WHEREAS, the City and Grayson Capital entered into a Purchase Option Agreement for the Property dated November 30, 2022;

WHEREAS, Grayson Capital has exercised its option to purchase the Property and the City and Grayson Capital, through its affiliate Grayson Communities, LLC, now seek to enter into the real estate sale contract;

WHEREAS, the City and Grayson Capital have negotiated the real estate sale contract establishing pre-development benchmarks required to be completed prior to closing and a purchase price of \$400,000.00, plus future payments to the City between \$500,000.00 and \$2,100,000.00, depending on profits earned by Grayson Capital, that shall be made pursuant to an equity participation agreement between the City and Grayson Capital;

WHEREAS, Ordinance No. 220964 stated that the City Manager's authority to execute the real estate sale contract is subject to the City Council passing further ordinances; NOW THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager or designee is hereby authorized to execute a real estate sale contract with Grayson Communities, LLC for the property located at 1531 Holmes Street. A copy of the real estate sale contract in substantial form is attached hereto and on file in the City Manager's office.

Section 2. That the City Manager or designee is hereby authorized to negotiate an equity participation agreement with Grayson Communities, LLC or its affiliates concerning future payments related to the property located at 1531 Holmes Street.
..end

Approved as to form:

Abigail Judah
Assistant City Attorney

REAL ESTATE SALE CONTRACT

1. **PARTIES:** This Real Estate Sale Contract (the “**Contract**”) is made by and between **THE CITY OF KANSAS CITY, MISSOURI**, a constitutional charter city and political subdivision duly organized and existing under the laws of the State of Missouri, (“**SELLER**”), and **GRAYSON COMMUNITIES, LLC**, a Missouri limited liability company, (“**BUYER**”), and is effective as of the last date and time of acceptance on the signature page of this Contract (the “**Effective Date**”).

2. **PROPERTY:** Subject to the conditions stated in this Contract, Seller shall sell to Buyer, and Buyer shall buy from Seller, the Property (as defined below):

Lots 911, 912, 913, 914, 915, 916, 917 and 918 except that part in public alley, Block 65, McGEE’S ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof (hereinafter the “**Property**”).

Subject to building lines, easements, reservation, restrictions, covenants, and conditions of record, if any, and to any zoning law or ordinance affecting the herein property described.

3. **EXCEPTIONS:** The Property shall be subject to easements or other encumbrances of record at Closing.

4. **CLOSING DATE:** Subject to all the provisions of this Contract, the closing of this Contract sale transaction (the “**Closing**”) shall take place at the offices of Title Company on or before 5:00 p.m. local time on the date (the “**Closing Date**”) which shall occur on a date not more than sixty (60) days after the Effective Date, or such other date by mutual consent, and possession of the Property shall be delivered by Seller to Buyer at the Closing.

5. **PURCHASE PRICE; EQUITY PARTICIPATION AGREEMENT:** The purchase price is Four Hundred Thousand and No/100 Dollars (\$400,000.00), which Buyer agrees to pay as follows:

a. Four Hundred Thousand and No/100 Dollars (\$400,000.00) plus Phase II Environmental Site Assessment costs of Twenty Thousand Six Hundred Five and No/100 Dollars (\$20,605.00) to be paid to First American Title Insurance Company, with an address of 1100 Main, Suite 1900, Kansas City, MO 64105, Attn: Alexa Scott, Email: AleScott@firstam.com (“**Title Company**”) as part of the consideration of the sale in guaranteed funds or cashier’s check at Closing (as defined in this Contract), adjusted at Closing for prorations and other agreed expenses, if any. **Except as otherwise provided in this Contract, Buyer shall be responsible for all of Buyer’s costs of closing, including title insurance premium, if applicable, and shall not look to Seller to participate in paying any costs of closing.**

b. Pursuant to that certain Purchase Option Agreement dated effective November 30, 2022, as amended, by and between Buyer and Seller, Buyer shall receive a

\$5,000.00 credit towards the Purchase Price at Closing equal to the Buyer's Initial Option Payment previously paid directly to the Seller ("**Earnest Money**").

Within thirty (30) days after the Effective Date the parties shall negotiate a form of annual equity participation agreement ("**Equity Participation Agreement**") of \$1,000,000 ("**Land Equity**") against Buyer's annual equity returns containing the following material terms, which shall be executed between the parties at Closing:

i. Distribution of the Land Equity will start when annual investor distributions commence (the project is anticipated to stabilize in year 3) and distribution of the remaining Land Equity, if any, and anticipated profit to Seller will occur upon Buyer's refinancing or sale of the Property, whichever occurs first;

ii. Upon refinancing or sale of the Property, Buyer will pay Seller a minimum of \$500,000.00 but up to \$2,100,000.00 pursuant to the Equity Participation Agreement;

iii. If underground storage tank(s) is/are identified on the Property during construction, the cost to remove/cap the underground storage tank(s) will be reduced from Seller's Land Equity.

6. **PROJECT DOCUMENTATION:** Prior to Closing, Buyer shall submit to Seller the following documentation:

a. General Development Plan: A copy of any completed general development plan which shall include:

(i) Proposed Land Uses: A future land use plan showing proposed uses of the Subject Property including a map showing boundaries of the project;

(ii) Proposed Zoning Changes: A statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, building codes and ordinances, and amendments to adopted land use plans;

(iii) Public Utility Requirements: A statement as to the kind and number of additional public facilities or utilities which will be required in the area after completion of the plan;

(iv) Projected Redevelopment Schedule: A schedule indicating the estimated length of time needed for completion of milestones for the development including Pre-Transfer, Site Preparation, Construction/Rehab, Anticipated Occupancy;

(v) Marketing Study: Developer shall provide a copy of any existing marketing study in Developer's possession, showing market feasibility for the proposed land use;

(vi) Design Plans: Current design plans for the project including site plans, elevations, and environmental remediations; and

(vii) Notification to Seek Incentives: The Developer shall provide written notification to impacted taxing districts of the project details and detailed information on any intent to seek incentives. Such notice shall provide Developer's contact information for any questions and/or feedback regarding the project and any proposed incentives.

b. Redevelopment Finance Plan: If not otherwise included in an application for incentives, the Developer shall provide a comprehensive financing plan that includes:

(i) Detailed Narrative of Proposed Project – including information regarding construction type (new/rehabilitation) and use (residential, commercial, industrial, office, multifamily, retail, other), square footage breakouts, number of parking spaces, number of dwelling units (including breakouts of unit sizes and square footage), and any need for assistance with eminent domain or environmental remediation;

(ii) Jobs Created: Direct and Indirect, including average salaries for each;

(iii) Project Budget: a detailed breakdown of all hard and soft costs to complete the development plan, including land acquisition price, the total development cost ("TDC"), cost of machinery/equipment to be purchased in connection with the project;

(iv) Sources and Uses: All sources and uses of funding for the project including tax credits being sought, developer equity, any direct or indirect City Assistance that the Developer may be seeking such as CCED or PIAC funding, or other grants/subsidies, and evidence of commitments to fund from each source, including private financing;

(v) 10 Year Operating Pro Forma;

(vi) Financing Term Sheet.

7. **PRORATIONS:** Buyer acknowledges and agrees that Seller has informed Buyer that Seller is exempt from paying all general real estate taxes that may have been levied and assessed against the Property and that Seller will not pay any general real estate taxes that may have been levied and assessed against the Property, either during prior years or during the year of Closing. Seller shall pay all installments of special assessments against the Property, if any, for the years prior to the calendar year (or other period for which it is assessed) of Closing. All installments of special assessments, if any, becoming due and accruing during the calendar year (or other period for which it is assessed) of Closing shall be prorated between Seller and Buyer on the basis of such calendar year (or other period for which it is assessed), as of Closing. If the amount of any special assessment cannot be ascertained at Closing, then the special assessment shall be prorated based upon the latest

assessment information then available (including information available from the applicable authorities) and Buyer and Seller shall re-prorate the amount of special assessments following the Closing as soon as the information becomes available that allows the determination of assessments.

8. **TITLE REVIEW:** Buyer may obtain an owner's ALTA title insurance policy insuring marketable fee simple title in Buyer in the amount of the purchase price as of the time and date of recordation of Seller's Special Warranty Deed in the form of **Exhibit 1** (the "**Deed**"), AS IS and WITH ALL FAULTS, except for the warranty of title set forth in the deed. Seller shall not have any obligation to rectify any exceptions to title.

9. **REPRESENTATIONS:**

a. **PROPERTY SOLD "AS IS and WITH ALL FAULTS":** Buyer agrees that no representations by or on behalf of Seller have been made to Buyer as to the title (except as provided in the Deed) or condition of the Property. Except as provided for in this Contract, Buyer is not relying upon any representation, or the lack of same, as they apply to conditions on the Property. It is understood and agreed that Buyer or Buyer's representative, may conduct title, physical, or environmental inspections all at Buyer's cost. Seller agrees to the Buyer having reasonable access to the Property in order to complete all required, or optional, inspections. Buyer stipulates that it may inspect the Property, and takes it "as is" and "where is," but the right to inspect shall not give rise to any obligation on the part of the Seller to conduct any repairs or to give a credit against the Purchase Price, and the Buyer's sole and exclusive remedy if it decides that the results of the inspection are unsatisfactory is to terminate this Contract. This Section 8.a shall survive the Closing and Seller's delivery of the Deed.

b. **CONDITION OF PROPERTY:** Between the Effective Date and the Closing Date: Seller shall maintain the Property in the same condition and state of repair as exists on the Effective Date, ordinary and reasonable wear and tear excepted; Seller shall not enter into any binding agreements that will affect the Property after Closing, or otherwise impose or agree to impose any new encumbrances on the Property prior to Closing, including but not limited to any new lease, license, or other occupancy agreement of all or any part of the Property; Seller shall give Buyer and its agents and representatives full access to the Property in order to make such inspections, surveys, test borings, soil analyses and other tests and surveys thereon as Purchaser, in its sole discretion, shall deem advisable; Seller shall not (i) perform any grading or excavation, construction or removal of any improvement or make any other change or improvement upon or about the Property, (ii) knowingly commit, or allow the commission of, any waste or nuisance upon the Property, (iii) institute or participate in any replatting of the Property (except as requested by or with consent of the Buyer), (vi) institute or participate (except as requested by or with consent of the Buyer) in any annexation, condemnation, zoning, dedication or other governmental action regarding the Property; and Seller shall promptly furnish Purchaser with any notice concerning the Property that Seller receives from any taxing authority or other governmental entity.

c. **RELEASE:** Buyer fully and finally waives, unconditionally releases, and discharges the Seller, and any of Seller's officials, employees, officers, and assignees, from any and all liabilities, actions, causes of actions, claims (including, but not limited to, claims for cost

recovery and contribution), and demands, both known and unknown, present and future, whether or not founded in fact, law or equity, including, without limit, any environmental remediation costs, and from any suit or controversy arising from or in any way related to the existence of hazardous materials in or with respect to the Property and from any environmental damages arising from or related in any way to the Property. The Buyer shall have no recourse against Seller for any defects to title that should have been disclosed on a title report, whether or not so disclosed. This release shall survive the Closing.

d. **OTHER SELLER REPRESENTATIONS AND WARRANTIES:** Seller represents and warrants (with such representations and warranties to survive the Closing for a period of one year) that, as of the Effective Date and the Closing Date:

1. Seller has no knowledge of any existing, pending or threatened investigation, inquiry, action, or proceeding by Seller or to any remedial obligations under any applicable law, charter, statute, ordinance, rule, regulation, order, code, or determination within the jurisdiction of Seller's municipal authority.

2. Seller has duly and validly authorized and executed this Contract, and has full right, title, power, and authority to enter into this Contract and to consummate the transactions provided for herein, and the joinder of no person or entity will be necessary to convey the Property fully and completely to Buyer by the Deed at the Closing.

3. Execution by Seller of this Contract and the consummation by Seller of the transactions contemplated hereby do not, and at the Closing will not, result in a breach of any of the terms or provisions of, or constitute a default or a condition which upon notice or lapse of time or both would ripen into a default under, Seller's Charter, ordinances, rules, or regulations, or any indenture, agreement, instrument, or obligation to which Seller is a party or by which the Property or any portion thereof is bound; and does not constitute a violation of any applicable law, charter, statute, ordinance, rule, regulation, order, code, or determination within the jurisdiction of Seller's municipal authority.

10. REAL ESTATE BROKER: Seller and Buyer agree that no real estate broker has participated in negotiating this sale, and neither party has retained the services of real estate broker in negotiating this sale. Any party to this Contract through whom a claim to any broker's, finder's, or other fee is made, contrary to the representations made above in this paragraph, shall indemnify, defend and hold harmless the other party to this Contract from any other loss, liability, damage, cost or expense, including, without limitation, reasonable attorney's fees, court costs, and other legal expenses paid or incurred by the other party, that is in any way related to such a claim. The provisions of this paragraph shall survive Closing or termination of this Contract.

11. DELIVERY OF DEED; PAYMENT; DISBURSEMENT OF PROCEEDS: At or before Closing, Seller agrees to properly execute and deliver into escrow the Deed and all other documents reasonably necessary to complete the Closing. At or before the Closing, Seller and Buyer each agree to deliver into escrow a cashier's check or guaranteed funds sufficient to satisfy their respective obligations under this Contract.

12. MAINTENANCE; CASUALTY; CONDEMNATION; CHANGE OF CONDITION: Seller has and will continue to perform ordinary and necessary maintenance or upkeep and repair to the Property through the date of the Closing, but shall not be responsible for conditions created by the Buyer or its contractors or agents. Buyer may separately insure its interest in the Property until delivery of Seller's Deed to Buyer, and Seller is not obligated to insure the Property at any time. If, before delivery of the Deed to Buyer, improvements on the Property are, partially or completely, damaged or destroyed by fire or any other causes whatsoever, including those that could be covered by what is known as fire and extended coverage insurance (a "Casualty"), Buyer may elect to either cancel this Contract by written notice to Seller within twenty (20) days after receiving notice of the damage or destruction of the Property or to proceed with the Closing and accept the Property in its existing condition at the time, without a reduction in purchase price. If Buyer elects to cancel this Contract, the Earnest Money and any other monies deposited by Buyer with Seller or the Title Company shall be returned to the Buyer. If, before Closing, all or any part of the Property is taken by eminent domain, or if a condemnation proceeding has been filed or is threatened against the Property or any part thereof, Seller shall promptly provide written notice to Buyer of any such event. Upon notice of such occurrence, Buyer may re-inspect the Property and may, by written notice to Seller within twenty (20) days after receiving Seller's notice, terminate this Contract, and the Earnest Money and any other monies deposited by Buyer with Seller or the Title Company shall be returned to Buyer. Unless this Contract is so terminated by Buyer due to Casualty, eminent domain, or a threatened or filed condemnation proceeding, the Contract shall remain in full force and effect, and Seller shall at Closing assign and transfer to Buyer all of Seller's right, title and interest in and to any awards that may be made for any taking or condemnation, and any insurance proceeds payable on account of any Casualty.

13. FOREIGN INVESTMENT: Seller represents that Seller is not a foreign person as described in the Foreign Investment in Real Property Tax Act and agrees to deliver a certificate at Closing to that effect which shall contain Seller's tax identification number.

14. TERMINATION: If this Contract is terminated by either party pursuant to a right expressly given in this Contract, other than a termination by Seller because of a default by Buyer, Buyer shall be entitled to a return of the Earnest Money and any other monies deposited by Buyer with Seller or the Title Company within ten (10) days of termination, and neither party shall have any further rights or obligations under this Contract except as otherwise stated in this Contract.

15. DEFAULT AND REMEDIES: Seller or Buyer shall be in default under this Contract if either fails to comply with any material covenant, agreement or obligation within any time limits required by this Contract, has received notice of such default by the other party, and has failed to cure such default within five (5) business days of receipt of such notice. Following a default by either Seller or Buyer under this Contract, the other party shall have the following remedies:

a. If Seller defaults, Buyer may (i) terminate this Contract by written notice to Seller and the Earnest Money shall be returned by Seller to Buyer within seven (7) days after the Buyer terminates this Contract, or (ii) specifically enforce this Contract, provided, however,

if Seller's default is attributable to the actions of an unrelated outside third party ("**Third Party Default**"), Buyer may, in Buyer's sole discretion, (a) terminate this Contract by written notice to Seller and the Seller shall cause the Title Company to return Earnest Money to Buyer within seven (7) days after the Buyer terminates this Contract, or (b) provide Seller with written notice of Seller's obligation to cure such default and proceed to Closing, with the understanding that the Seller shall not be obligated to cure such default other than with the application of funds in the amount of the Earnest Money and such Closing will be extended to accommodate the resolution of the impairment caused by the Third Party Default. If such Third-Party Default shall continue for thirty (30) days, then either Seller or Buyer may terminate this Contract at any time, and in either circumstance of termination of this Contract, the Earnest Money and any other monies deposited by Buyer with Seller or the Title Company shall be returned to Buyer.

b. If Buyer defaults, Seller may terminate this Contract by written notice to Buyer and, the Seller shall, as its sole and exclusive remedy in lieu of all other remedies at law or in equity, retain the Earnest Money as liquidated damages as Seller's sole remedy (the parties recognizing that it would be extremely difficult to ascertain the extent of actual damages caused by Buyer's breach, and that the Earnest Money represents as fair an approximation of such actual damages as the parties can now determine).

This Section 14 shall survive the Closing or termination of the Contract.

16. DISPOSITION OF EARNEST MONEY AND OTHER FUNDS AND DOCUMENTS: In the absence of written escrow instructions, and notwithstanding any other terms of this Contract providing for forfeiture or refund of the Earnest Money, the Title Company shall not distribute the Earnest Money or other escrowed funds or documents, once deposited, without the written consent of all parties to this Contract. A party's signature on a closing statement prepared by the Title Company shall constitute such consent. In the absence of either written consent or written notice of a dispute, failure by either Buyer or Seller to respond in writing to a certified letter from the Title Company within fifteen (15) days of receipt, or failure by either Buyer or Seller to make written demand upon the other party and upon the Title Company for return or forfeiture of the Earnest Money, other escrowed funds or documents within thirty (30) days after receiving written notice of cancellation of this Contract, shall constitute consent to distribution of all funds and documents deposited with the Title Company as suggested in any such certified letter or written demand.

17. ENTIRE AGREEMENT AND MANNER OF MODIFICATION: This Contract, and any attachments or addendums hereto, constitute the complete agreement of the parties concerning the Property, supersede all other agreements and may be modified only by initialing changes in this Contract or by written agreement.

18. NOTICES: All notices, consents, approvals, requests, waivers, objections or other communications (collectively "notices") required or otherwise given under this Contract shall be in writing and shall be served by hand delivery, by prepaid United States certified mail, return receipt requested, or by reputable overnight delivery service guaranteeing next-day delivery and providing a receipt. All notices shall be addressed to the parties at the respective addresses as set forth below, except that any party may, by notice in the manner provided above, change this address for all subsequent notices. Notices shall be deemed

served and received upon the earlier of the third business day following the date of mailing (in the case of notices mailed by certified mail) or upon delivery in all other cases. A party's failure or refusal to accept service of a notice shall constitute delivery of the notice.

19. **COUNTERPARTS:** This Contract may be executed in separate and multiple counterparts, each of which shall be deemed an original, but all of which taken together shall be deemed to constitute one and the same instrument. To facilitate execution, the parties hereto agree that this Contract may be executed and telecopied or email to the other parties, and that the executed telecopied or emailed document shall be binding and enforceable as an original.

20. **TIME AND EXACT PERFORMANCE ARE OF THE ESSENCE UNDER THIS CONTRACT.**

**The remainder of this page is intentionally blank.
The parties' signatures are on the next page.**

IN WITNESS WHEREOF, Seller and Buyer execute this Contract on the date(s), and at the time(s), indicated below their respective signatures.

GRAYSON COMMUNITIES, LLC, a
Missouri limited liability company

By Grayson Capital, LLC,
Its sole member

**THE CITY OF KANSAS CITY,
MISSOURI**, a constitutional charter city and
political subdivision duly organized and
existing under the laws of the State of
Missouri

By: _____
Michael Collins

By: _____
Brian Platt

Title: Chief Executive Officer, Grayson
Capital, LLC

Title: City Manager

Date: _____, 2023

Date: _____, 2023

Address: 1881 Main Street, #302
Kansas City, MO 64108

Address: 414 E. 12th Street 1st Floor
Kansas City, MO 64106

Approved as to form:

Abigail Judah, Assistant City Attorney

EXHIBIT 1
SPECIAL WARRANTY DEED

THIS SPACE FOR RECORDER'S USE ONLY

Name of Document: SPECIAL WARRANTY DEED

Grantor: THE CITY OF KANSAS CITY, MISSOURI, a municipal corporation of the State of Missouri, with an address at 414 E. 12th Street, 29th Floor, Kansas City, Missouri 64106

Grantee(s): GRAYSON COMMUNITIES, LLC, a Missouri limited liability company, with an address of 1881 Main Street, #302, Kansas City, MO 64108

Date of Document: As of _____, 2023

Statutory Recording Reference:

Legal Description: See Page 2

SPECIAL WARRANTY DEED

THIS INDENTURE is made this ____ day of _____, 2023 by and between **THE CITY OF KANSAS CITY, MISSOURI**, a constitutional charter city and political subdivision duly organized and existing under the laws of the State of Missouri (“**GRANTOR**”), and **GRAYSON COMMUNITIES**, a Missouri limited liability company, with an address of 1881 Main Street, #302, Kansas City, MO 64108 (“**GRANTEE**”).

WITNESSETH, THAT GRANTOR, in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration paid to the Grantor by the Grantee, the receipt and sufficiency of which is hereby acknowledged, does by these presents, **SELL AND CONVEY** unto Grantee, and its successors and assigns, the following real property situated in the County of Jackson, to wit:

Lots 911, 912, 913, 914, 915, 916, 917 and 918 except that part in public alley, Block 65, McGEE’S ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof (the “**Property**”).

Subject to the Development Agreement authorized by Ordinance No. 220964 on file with the Office of the City Manager.

Subject to building lines, easements, reservation, restrictions, covenants, and conditions of record, if any, and to any zoning law or ordinance affecting the herein property described.

TO HAVE AND TO HOLD the Property with all and singular the rights, privileges, appurtenances and immunities thereto belonging or in any wise appertaining, unto the Grantee and unto its successors and assigns, FOREVER; the Grantor covenants that the Property is free and clear from any encumbrance done or suffered by Grantor except as herein provided; and that Grantor will warrant and defend the title to the Property unto Grantee and unto its successors and assigns FOREVER against the lawful claims and demands of all persons claiming under Grantor, except as herein provided.

[Remainder of page intentionally left blank. Signature to appear on following page.]

IN WITNESS WHEREOF, Grantor has executed these presents as of the day and year first above written.

By: CITY OF KANSAS CITY, MISSOURI

Brian Platt, City Manager

ACKNOWLEDGMENT

STATE OF MISSOURI)
)ss
COUNTY OF JACKSON)

On this _____ day of _____, 2023, before the undersigned, Notary Public, personally appeared Brian Platt and being duly sworn, did say that he is the City Manager for the City of Kansas City, Missouri, and that the Special Warranty Deed was signed on behalf of the City of Kansas City, Missouri by authority of Ordinance Number _____ and the acknowledged the instrument to be the free act and deed of the City of Kansas City, Missouri.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Kansas City, the day and year last above written.

Notary Public

My Commission Expires: _____

Approved as to form:

Abigail Judah, Assistant City Attorney



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #

Submitted Department/Preparer: General Services

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 City Manager to execute real estate contract, and to negotiate and execute equity participation agreement related to 1531 Holmes St

Discussion

This ordinance authorizes execution of a real estate contract. The City granted Grayson Capital an Option to Purchase the property located at 1531 Holmes in order to construct a 6 story multi-family which is to include +/- 180 residential units, 6,000 SF of ground floor retail, 8,000 SF of outdoor amenity space and transportation facilities including a transit plaza and car share station. The real estate sale contract has been negotiated establishing pre-development benchmarks that need to be met before closing. The purchase price is \$400,000 plus future payments as determined by an Equity Participation Agreement that will be executed as part of the Real Estate Purchase contract.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No

2. What is the funding source?

n/a

3. How does the legislation affect the current fiscal year?

Addition of \$400,000.00

4. Does the legislation have fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

Addition to budget of between \$500,000 and \$2.1 million over the next (5) years

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

Click or tap here to enter text.



City of Kansas City, Missouri

Docket Memo

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

Additional Discussion (if needed)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

View the [FY23 Citywide Business Plan](#)

Which CWBP goal is most impacted by this legislation?

Housing and Healthy Communities (Press tab after selecting.)

Which objectives are impacted by this legislation (select all that apply):

- Maintain and increase affordable housing supply to meet the demands of a diverse population
- Broaden the capacity and innovative use of funding sources for affordable housing
- Invest in neighborhood stabilization and revitalization to reduce blight, ensure sustainable housing, and improve the wellbeing of residents while sustaining their diverse cultures
- Ensure all occupants of residences have quality, efficient, and healthy housing with minimal economic or regulatory barriers
- Address the various needs of the City's most vulnerable population
- Utilize planning approaches to improve the City's neighborhoods

Prior Legislation

220254 declaring property surplus

220964 authorizing the City Manager to negotiate and execute a development agreement and purchase option agreement with Grayson Capital, LLC, and stating that the City Manager's authority to execute the real estate sale contract is subject to the City Council passing further ordinances

Service Level Impacts



City of Kansas City, Missouri

Docket Memo

n/a

Other Impacts

1. What will be the potential health impacts to any affected groups?

No

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?

Yes

4. Does the ordinance/resolution include Civil Rights antidiscrimination requirements in compliance with the Code of Ordinances (Chapter 38, titled "Civil Rights")?

Click or tap here to enter text.

5. Has the ordinance/resolution been submitted for review of economic equity & inclusion requirements in compliance with the Code of Ordinances (Chapter 3, titled "Contracts and Leases")?

Click or tap here to enter text.



File #: 230660

ORDINANCE NO. 230660

Sponsor: Director of Finance Department

Authorizing the Director of Finance to accept a proposal of Banc of America Public Capital Corp (“BAPCC”) to finance the acquisition of passenger vehicles (“Project”); authorizing the execution of any and all documents and agreements necessary for the Project; estimating revenue and appropriating \$2,252,250.00 in Fund 3230, the Equipment Lease Capital Acquisition Fund; designating requisitioning authorities; authorizing the Director of Finance to close project accounts upon completion; approving lease counsel in connection with the transaction; and declaring the intent of the City to reimburse itself from the lease purchase proceeds for certain expenditures.

WHEREAS, the City’s fleet has vehicles that are on average currently at 177% of design lifecycle, or on average 14-years old on an expected 8-year lifecycle, and therefore targeted for replacement; and

WHEREAS, these vehicles are prone to unscheduled downtime and expenditures, resulting in additional incurred downtime and resultant loss of use, compromising delivery of basic City services; and

WHEREAS, the cost of acquisition and implementation of the Project is expected to be financed under the Master Lease Purchase Agreement (“Lease”) with BAPCC by one (1) draw upon the Lease; and

WHEREAS, the payment of scheduled debt service payments on the draw made under the Lease will be made by annual appropriation of monies from the City’s General Municipal Revenues over a successive eight (8) year period; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Director of Finance is authorized to accept the proposal of BAPCC for the financing of the Project through one (1) draw upon the Lease in an approximate principal amount not to exceed \$2,252,250.00.

Section 2. That the Director of Finance is authorized to execute, deliver and file in the name of the City, the Lease and any and all documents and agreements necessary to complete such financing.

Section 3. That the revenue in the following account of Fund No. 3230, the Equipment Lease Capital Acquisition Fund, is hereby estimated in the following amount:

AL-3230-120000-583000	Lease Proceeds	\$2,252,250.00
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Section 4. That the sum of \$2,252,250.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 3230, the Equipment Lease Capital Acquisition Fund, to the following accounts:

AL-3230-071990-E-07P24NBH	Neighborhoods Fleet Vehicles	\$ 990,000.00
AL-3230-071990-E-07P24HLT	Health Dept. Fleet Vehicles	608,750.00
AL-3230-071990-E-07P24GSD	GSD Fleet Vehicles	645,500.00
AL-3230-129620-E	Cost of Issuance	<u>8,000.00</u>
	TOTAL	\$2,252,250.00

Section 5. That the Director of General Services is hereby designated as requisitioning authority for Account No. AL-3230-071990 and the Director of Finance is hereby designated as requisitioning authority for Account No. AL-3230-129620.

Section 6. That the Director of Finance is hereby authorized to close project accounts, open encumbrances and retainage related to the accounts in Section 4 and return the unspent portion to the fund balance from which it came upon the earliest of: (i) Project's completion; (ii) final maturity of financing or (iii) five years after issuance.

Section 7. That the City approves Kutak Rock LLP to serve as lease counsel for the City in connection with the financing of the Project.

Section 8. That the City hereby declares its official intent to reimburse itself for certain expenditures made within sixty (60) days prior to or on and after the date of this ordinance with respect to the Project with the proceeds expected to be drawn from the Lease. The maximum principal of amount of lease proceeds for the Project expected to be financed under the Lease is \$2,252,250.00. This constitutes a declaration of official intent under Treasury Regulation Section 1.150-2.

..end

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:

Samuel Miller
Assistant City Attorney



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #

Submitted Department/Preparer: Finance

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 Director of Finance to accept a proposal of Banc of America Public Capital Corp (“BAPCC”) to finance the acquisition of City Fleet Vehicles for the General Services, Health, and Neighborhoods Departments; authorizing the execution of any documents and agreements necessary; estimating and appropriating \$2,252,250.00 in Fund No. 3230, designating requisitioning authorities; authorizing the Director of Finance to close project accounts upon completion; and declaring the intent of the City to reimburse itself for certain expenditures.

Discussion

The City’s fleet has vehicles that are on average at 177% of design lifecycle, which is an average of 14 years on an expected 8-year lifecycle. These vehicles are prone to unscheduled downtime and expenditures, resulting in additional cost. This ordinance proposes to replace approximately 78 vehicles that serve three different departments, by entering into an eight (8) year lease-purchase agreement with BAPCC.

On May 1, 2020, Banc of America Public Capital Corp. was selected as the Master Lease Purchase Agreement (“MLPA”) vendor via a competitive RFP process for a 5-year contract. The MLPA sets forth terms, conditions, and contract rates for short-term (no more than 10 years) financings, secured by the assets being financed and the City’s pledge of annually appropriating debt service. The contract rate is based upon current market swap rates and a credit spread. Common terms under the MLPA provide for more efficient financing with lower transaction costs than a conventional bond issue. The City retains title to the asset during the term of the Schedule as long as there are no events of default under the MLPA.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No

2. What is the funding source?

Debt service will begin in Fiscal Year 2025 and will be funded from allocations from the FY2025 budget from each affected department.

3. How does the legislation affect the current fiscal year?

The ordinance makes appropriations available in FY2024 for the purchase of the vehicles.



City of Kansas City, Missouri

Docket Memo

4. Does the legislation have fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

Yes. At a federally tax-exempt interest rate of 5% and aggregate principal amount of 2,252,250, debt service will begin in FY2025 and is expected to average \$343,315 per year for 8 years.

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

Purchasing newer vehicles will reduce downtime and operating costs and increase overall responsiveness of municipal services.

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

Additional Discussion (if needed)

This ordinance makes appropriations available in the current fiscal year (FY24) for the lease-purchase of fleet vehicles and will result in the appropriation of scheduled debt service funding of approximately \$251,000 in the General Fund and \$93,000 in the Health Levy Fund per year, respectively. This will total approximately \$343,000 per year over the next eight fiscal years (FY25-FY32).

Citywide Business Plan (CWBP) Impact

View the [FY23 Citywide Business Plan](#)

Which CWBP goal is most impacted by this legislation?

Infrastructure and Accessibility (Press tab after selecting.)

Which objectives are impacted by this legislation (select all that apply):

- Enhance the City's connectivity, resiliency, and equity through a safe, efficient, convenient, inclusive, accessible, sustainable and better connected multi-modal transportation system
- Develop environmentally sound and sustainable infrastructure strategies that improve quality of life and foster economic growth
- Increase and support local workforce development and minority, women, and locally-owned businesses



City of Kansas City, Missouri

Docket Memo

- Engage in efforts to strategically invest in the City's infrastructure and explore emerging technologies
-
-

Prior Legislation

Service Level Impacts

Failure to replace these vehicles will negatively impact resident services provided by both the Health Department and Neighborhoods Department, up to and potentially including delinquent inspections and duplicated scheduling due to equipment breakage. The current state of the General Services Department vehicles impacts the department's ability to respond to our internal clients, perhaps slowing down or impeding delivery of our services and their operations.

Other Impacts

1. What will be the potential health impacts to any affected groups?

The new fleet vehicles should have much lower emissions and greater fuel efficiency. The newer vehicles will require far fewer repairs than the vehicles being replaced. This will reduce the amount of potentially harmful chemicals impacting both the City vehicle maintenance employees and the local environment.

2. How have those groups been engaged and involved in the development of this ordinance?

Municipal Fleet has engaged the user departments to determine departmental needs and fiscal impact.

3. How does this legislation contribute to a sustainable Kansas City?

The new vehicles in the fleet will offer reduced emissions and greater fuel cost efficiency to perform city services. These changes result in positive impacts both environmentally and fiscally.

4. Does the ordinance/resolution include Civil Rights antidiscrimination requirements in compliance with the Code of Ordinances (Chapter 38, titled "Civil Rights")?

We would be using local automotive dealers to procure the vehicles who were established as vendors in observance of those codes.



City of Kansas City, Missouri

Docket Memo

5. Has the ordinance/resolution been submitted for review of economic equity & inclusion requirements in compliance with the Code of Ordinances (Chapter 3, titled “Contracts and Leases”)?

The Master Lease/Purchase Agreement by which BAPCC is financing the City’s Fleet Vehicles was submitted to CREO in 2020 for evaluation and CREO set goals at 0%. The lease counsel contract was evaluated at the time it was entered into in 2010 and no goals were assigned.



File #: 230666

ORDINANCE NO. 230666

Sponsor: Director of Parks and Recreation Department

Appropriating \$1,150,000.00 from the Unappropriated Fund Balance of the Golf Operations Fund to pay for the repair of the Minor Park Golf Course parking lot and the renovation of the Shoal Creek Golf Course bunkers; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, Kansas City owns and operates five municipal golf courses including those located at Minor Park and Hodge Park; and

WHEREAS, the improvements that currently need to be performed are the resurfacing of the parking lot at Minor Park Golf Course for safety reasons and the renovating of the golf course bunkers at the Shoal Creek Golf Course in order to maintain playable conditions; and

WHEREAS, the Golf Operations Fund has seen a steady income growth since the pandemic due to the increase of the number of people playing golf and paying golf fees at the city golf courses; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the sum of \$1,150,000.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 2050, Golf Services Fund, to the following account:

24-2050-707700-B	Golf Course Renovation	\$1,150,000.00
------------------	------------------------	----------------

Section 2. 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.

..end

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:

Lana K. Torczon
Assistant City Attorney

ORDINANCE _____

Appropriating \$1,150,000.00 from the Unappropriated Fund Balance of the Golf Operations Fund to pay for the repair of the Minor Park golf course parking lot and the renovation of the Shoal Creek golf course bunkers; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, Kansas City owns and operates five municipal golf courses including those located at Minor Park and Hodge Park; and

WHEREAS, the improvements that currently need to be performed are the resurfacing of the parking lot at Minor Park golf course for safety reasons and the renovating of the golf course bunkers at the Shoal Creek golf course in order to maintain playable conditions; and

WHEREAS, the Golf Operations Fund has seen a steady income growth since the pandemic due to the increase of the number of people playing golf and paying golf fees at the city golf courses; and

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the sum of \$1,150,000.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 2050, Golf Services Fund, to the following account:

24-2050-707700-B	Golf Course Renovation	\$1,150,000.00
------------------	------------------------	----------------

Section 2. 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.

I hereby certify there is balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditures are 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 Queen

Director of Finance

Approved as to form:

Lana Torczon

Assistant City Attorney



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution # 230666

Submitted Department/Preparer: Parks and Recreation

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

Appropriating \$1,150,000.00 from the Unappropriated Fund Balance of the Golf Operations Fund to pay for the repair of the Minor Park Golf Course parking lot and the renovation of the Shoal Creek Golf Course bunkers; designating requisitioning authority; and recognizing this ordinance as having an accelerated effective date.

Discussion

Appropriating \$850,000.00 for the renovation of the Shoal Creek golf course bunkers and \$300,000.00 for the repair of the Minor Park golf course parking lot. The Parks and Recreation Department will repair the Minor Park Golf Course parking lot and renovate all bunkers at the Shoal Creek Golf Course. Both the parking lots and the bunkers are in poor condition and in need of repair and renovation. These repairs will reduce ongoing maintenance costs and improve customer experience, playability, drainage.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No

2. What is the funding source?

2050 – Golf Operations Fund Unappropriated Fund Balance

3. How does the legislation affect the current fiscal year?

The legislation appropriates unappropriated dollars from the Golf Operations Fund.

4. Does the legislation have fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

No.

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

The investment in these golf courses will improve the customer experience and increase participation, as well as justify increased green fees.



City of Kansas City, Missouri

Docket Memo

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

Additional Discussion (if needed)

Current estimated fund balance of the Golf Operations Fund is \$3,233,457.84. This legislation would reduce the fund balance to \$2,083,457.84.

Citywide Business Plan (CWBP) Impact

View the [FY23 Citywide Business Plan](#)

Which CWBP goal is most impacted by this legislation?

Finance and Governance (Press tab after selecting.)

Which objectives are impacted by this legislation (select all that apply):

- Reform the City's economic incentives to meet the policy objectives of the City Council
- Ensure the resiliency of City government
- Engage in workforce planning including employee recruitment, development, retention, and engagement
- Ensure a responsive, representative, engaged, and transparent City government

Prior Legislation

N/A

Service Level Impacts

Better playing conditions and Shoal Creek Golf Course and much improved parking facilities at Minor Park Golf Course will improve annual participation numbers (KPI) and improve customer ratings. (KPI)

Other Impacts

- 1. What will be the potential health impacts to any affected groups?

Safer entrances and exits to Shoal Creek golf course bunkers, safer parking conditions at the Minor Park golf course.

City of Kansas City, Missouri



Docket Memo

2. How have those groups been engaged and involved in the development of this ordinance?

Customer feedback directed these improvements/renovations.

3. How does this legislation contribute to a sustainable Kansas City?

Improved bunker systems and parking lots require less maintenance, decreasing the use of gas-powered equipment.

4. Does the ordinance/resolution include Civil Rights antidiscrimination requirements in compliance with the Code of Ordinances (Chapter 38, titled "Civil Rights")?

No

5. Has the ordinance/resolution been submitted for review of economic equity & inclusion requirements in compliance with the Code of Ordinances (Chapter 3, titled "Contracts and Leases")?

N/A



File #: 230667

ORDINANCE NO. 230667

Sponsor: Director of Parks and Recreation Department

Appropriating \$1,000,000.00 from the Unappropriated Fund Balance of the Parks Sales Tax Fund to update fitness equipment in all community centers as needed.

WHEREAS, in August of 2012, the voters overwhelmingly approved a half-cent sales tax increase, in perpetuity, to benefit parks and community centers; and

WHEREAS, the Parks Tax Fund provides the complete funding source for the Community Services Division of the Kansas City's Parks and Recreation Department; and

WHEREAS, the Parks and Recreation Department owns and operates 10 community centers with each center having a weight and fitness area; and

WHEREAS, the fitness equipment in each community center is in need of upgrades; and

WHEREAS, these upgrades align with the Parks and Recreation Department's mission and goal to promote health and wellness in the community; and

WHEREAS, the Board of Parks and Recreation Commissioners passed Resolution No. 32286 on July 11, 2023, approving the use of \$1,000,000.00 from the Parks Tax Fund to update fitness equipment in all community centers; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the sum of \$1,000,000.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 2030, Parks Tax Fund, in the following account.

<i>24-2030-702555-E</i>	<i>Community Services</i>
<i>\$1,000,000.00</i>	

..end

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:

Lana K. Torczon
Assistant City Attorney



APPROPRIATION TRANSACTION

CITY OF KANSAS CITY, MISSOURI

DEPARTMENT: Parks and Recreation

BUSINESS UNIT: KCMBU DATE: 7/19/2023 JOURNAL ID: #230667

LEDGER GROUP: ADMIN BUDGET PERIOD: 2024

	<u>FUND</u>	<u>DEPT ID</u>	<u>ACCOUNT</u>	<u>PROJECT</u>	<u>AMOUNT</u>
24	2030	702555	634300	-	\$ 1,000,000.00
				TOTAL	<u>1,000,000.00</u>

DESCRIPTION:
Appropriating \$1,000,000.00 from the Unappropriated Fund Balance of the Parks Sales Tax Fund to update fitness equipment in all community centers as needed; and designating requisitioning authority.

APPROVED BY: _____ DATE 8/7/2023 APPROVED BY: DEPARTMENT HEAD _____ DATE _____
Esther Swanson



APPROPRIATION TRANSACTION

CITY OF KANSAS CITY, MISSOURI

DEPARTMENT: Parks and Recreation

BUSINESS UNIT: KCMBU DATE: 7/19/2023 JOURNAL ID: #230667

LEDGER GROUP: ADMIN BUDGET PERIOD: 2024

	<u>FUND</u>	<u>DEPT ID</u>	<u>ACCOUNT</u>	<u>PROJECT</u>	<u>AMOUNT</u>
24	2030	702555	634300	-	\$ 1,000,000.00
TOTAL					<u>1,000,000.00</u>

DESCRIPTION:

Appropriating \$1,000,000.00 from the Unappropriated Fund Balance of the Parks Sales Tax Fund to update fitness equipment in all community centers as needed; and designating requisitioning authority.

APPROVED BY: _____ DATE 8/7/2023 APPROVED BY: DEPARTMENT HEAD _____ DATE _____

Esther Swanson



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #

Submitted Department/Preparer: Parks and Recreation

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

Appropriating \$1,000,000.00 from the Unappropriated Fund Balance of the Parks Sales Tax Fund to update fitness equipment in all community centers as needed; and designating requisitioning authority.

Discussion

The Parks and Recreation Master Plan adopted in 2015 suggests providing new equipment at each of the community centers. It states from citizen feedback that recreation centers in areas of poverty have poor quality equipment compared to wealthier areas. Lastly, it states to redesign fitness rooms in recreation centers that are too small to garner the level of users desired to achieve a high level of success and use with a combination of cardio, free weights and wellness spaces.

This legislation authorizes the use of fund balance from the Parks Sales Tax Fund to purchase new fitness equipment to provide a better experience to residents as well as improve cost recovery.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No

2. What is the funding source?

2030 – Parks Sales Tax fund balance

3. How does the legislation affect the current fiscal year?

This legislation impacts the current fiscal year by using unappropriated dollars to update fitness equipment in Parks' community centers.

4. Does the legislation have fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

No

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

The Department anticipates generating revenue through increased memberships.

City of Kansas City, Missouri

Docket Memo



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

Additional Discussion (if needed)

The Parks Sales Tax Fund has Unappropriated Fund Balance available to support the proposed amount. The unreserve fund balance of the Parks Sales Tax Fund is \$20.5 million.

Citywide Business Plan (CWBP) Impact

View the [FY23 Citywide Business Plan](#)

Which CWBP goal is most impacted by this legislation?

Finance and Governance (Press tab after selecting.)

Which objectives are impacted by this legislation (select all that apply):

- Reform the City's economic incentives to meet the policy objectives of the City Council
- Ensure the resiliency of City government
- Engage in workforce planning including employee recruitment, development, retention, and engagement
- Ensure a responsive, representative, engaged, and transparent City government

Prior Legislation

N/A

Service Level Impacts

The addition of quality fitness equipment will increase membership by enticing the community to visit the center more frequently. While attracting more customers the Parks Department will hope to retain these citizens as well as entice them to try other activities at the center. The Department is also looking to increase the quality of equipment that is comparable with the service and equipment offered by our competitors. In turn this increase in attendance and the quality of service will boost the revenue across all the community centers.

Other Impacts

1. What will be the potential health impacts to any affected groups?



City of Kansas City, Missouri

Docket Memo

Updating the fitness equipment at the community centers and bringing fitness equipment back to Brush Creek, Marlborough, and Westport-Roanoke Community Centers will have a significant health impact for all residents. Our department hears from the residents their desire for improved health opportunities and an improved quality of life. The new fitness equipment will be diverse and will provide all residents opportunities to participate, regardless of abilities.

2. How have those groups been engaged and involved in the development of this ordinance?

Through citizen feedback we are confident this is the next step to improving the quality of life for our residents.

3. How does this legislation contribute to a sustainable Kansas City?

There is need right now for new fitness equipment at the community centers, so we can help improve health and quality of life for all residents. The new equipment will provide the residents quality of life opportunities now and into the future.

4. Does the ordinance/resolution include Civil Rights antidiscrimination requirements in compliance with the Code of Ordinances (Chapter 38, titled "Civil Rights")?

No

5. Has the ordinance/resolution been submitted for review of economic equity & inclusion requirements in compliance with the Code of Ordinances (Chapter 3, titled "Contracts and Leases")?

N/A