COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 250669

Authorizing the City Manager to negotiate and execute the necessary agreements with Swope Health Services or an affiliated entity for the purpose of site preparation and development activities in connection with the Swope Health Village Development, including the property located at 5900 Swope Parkway; authorizing the City Manager to expend up to \$4,000,000.00 from previously appropriated funds in the Health Levy Fund; and waiving Code § 74-12 for the Swope Health Village Development Project.

WHEREAS, Committee Substitute for Ordinance No. 240455 previously authorized the City Manager to negotiate and execute a development agreement with Swope Health Services or an affiliated entity for the property located at 5900 Swope Parkway ("City Property"), appropriated \$5,000,000.00 from the Unappropriated Fund Balance of the Health Levy Fund as a contribution toward redevelopment of the site, and designated the City Manager as the requisitioning authority for that appropriation; and

WHEREAS, the City and Swope Health Services entered into an agreement on September 18, 2025, granting Swope Health Services an option to purchase the City Property subject conditions and authorizing Swope Health Services to conduct various pre-development activities thereon; and

WHEREAS, Swope Health Services will be incorporating the City Property into a larger development referred to as the Swope Health Village Development Project; and

WHEREAS, on April 13, 2023, Council approved Ordinance 230316, enacting Code §74-12, which provides default construction timelines for incentivized projects; and

WHEREAS, under Code § 74-12, an incentivized development must be substantially complete within five years of the date of the incentive approval date; and

WHEREAS, the Swope Health Village Development Project will contain multiple phases and is scheduled to be completed by 2035; and

WHEREAS, the Council believes that the objectives of Code § 74-12, including the efficient and timely construction of incentivized projects is, in the special case of the Swope Health Village Development Project, is best achieved through the waiver of Code § 74-12; and

WHEREAS, on March 20, 2025, an amendment to the Fiscal Year 2026 budget appropriating \$4,000,00.00 from the Unappropriated Fund Balance of the Health Levy Fund for the Swope Health Village Development Project was adopted and included in the Fiscal Year 2025-2026 Annual Budget, bringing the total appropriated City contribution for the development to \$9,000,000.00; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

250669

Section 1. That the City Manager or his designee is authorized to negotiate and execute a Development Agreement with Swope Health Services for the funding and redevelopment of parcels generally located at East 59th Street and Swope Parkway, including the property located at 5900 Swope Parkway and adjacent parcels owned by Swope Health Services, along with any other related agreements necessary for the transfer of funds with Swope Health Services or an affiliated entity for the purpose of site preparation activities in connection with the redevelopment of the Swope Health Village.

Section 2. That the City Manager is hereby authorized to expend up to \$4,000,000.00 from previously appropriated funds in Account No. 26-2330-898045-611060-89BUDGET in accordance with the agreements authorized herein with Swope Health Services or an affiliated entity.

Section 3. That the requirements of Code § 74-12, requiring the substantial completion of the construction projects funded by the contribution of the City funds under this ordinance and Committee Substitute for Ordinance No. 240455 is hereby waived. Any future incentives granted for the Swope Health Village Development Project may remain subject to Code § 74-12.

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.

Authenticated as Passed

Quipton Lucas, Mayor

Marilyn Sanders, City Clerk AUG 2 1 2025

Date Passed

William Choi

Interim Director of Finance

Approved as to form:

Abigail Judah

Assistant City Attorney